

COMPANY REGISTRATION NUMBER: 04577816

Speed 9395 Limited
Financial Statements
31 July 2016



ASHMANS
Chartered Accountants & Statutory Auditor
Zone G Salamander Quay West
Park Lane Harefield
Middlesex UB9 6NZ

Speed 9395 Limited

Financial Statements

Year ended 31 July 2016

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Speed 9395 Limited

Directors' Report

Year ended 31 July 2016

The directors present their report and the financial statements of the company for the year ended 31 July 2016.

Directors

The directors who served the company during the year were as follows:

Bhupendra Sodha
Bharat Sodha

Directors' responsibilities statement

The directors are responsible for preparing the directors' report 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). 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 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 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 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Speed 9395 Limited
Directors' Report *(continued)*
Year ended 31 July 2016

This report was approved by the board of directors on 27 April 2017 and signed on behalf of the board by:



Bharat Sodha
Director

Registered office:
Zone G Salamander Quay West
Park Lane Harefield
Middlesex UB9 6NZ

Speed 9395 Limited

Independent Auditor's Report to the Members of Speed 9395 Limited

Year ended 31 July 2016

We have audited the financial statements of Speed 9395 Limited for the year ended 31 July 2016 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 section 1A "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 directors and auditor

As explained more fully in the directors' responsibilities statement, 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 directors' report 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 July 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Speed 9395 Limited

Independent Auditor's Report to the Members of Speed 9395 Limited *(continued)*

Year ended 31 July 2016

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:

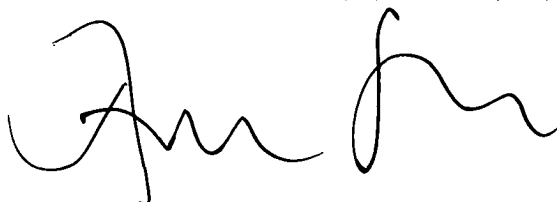
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; and
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

A M Sodha
Senior Statutory Auditor

For and on behalf of
ASHMANS
Chartered Accountants & Statutory Auditor

Zone G Salamander Quay West
Park Lane Harefield
Middlesex UB9 6NZ

27 April 2017



Speed 9395 Limited
Statement of Comprehensive Income
Year ended 31 July 2016

	Note	2016 £	2015 £
Turnover		273,337	273,337
Gross profit		273,337	273,337
Administrative expenses		31,442	30,948
Operating profit		241,895	242,389
Gain on investment property held at fair value through profit or loss		3,495,000	—
Other interest receivable and similar income		1	—
Interest payable and similar expenses	5	44,527	59,253
Profit before taxation		3,692,369	183,136
Tax on profit	6	737,181	362,557
Profit/(loss) for the financial year		2,955,188	(179,421)
Revaluation of investment property		2,796,000	(326,163)
Reclassification from revaluation reserve to profit and loss account		(2,796,000)	326,163
Other comprehensive income for the year		—	—
Total comprehensive income for the year		2,955,188	(179,421)

All the activities of the company are from continuing operations.

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

Speed 9395 Limited
Statement of Financial Position
31 July 2016

	Note	2016 £	2015 £
Fixed assets			
Investment property	7	6,830,000	3,335,000
Current assets			
Debtors	8	1,138,792	911,348
Cash at bank and in hand		151	3,892
		<u>1,138,943</u>	<u>915,240</u>
Creditors: amounts falling due within one year	9	<u>83,122</u>	<u>89,742</u>
Net current assets		<u>1,055,821</u>	<u>825,498</u>
Total assets less current liabilities		<u>7,885,821</u>	<u>4,160,498</u>
Creditors: amounts falling due after more than one year	10	2,285,293	2,214,158
Provisions		<u>1,025,163</u>	<u>326,163</u>
Net assets		<u>4,575,365</u>	<u>1,620,177</u>
Capital and reserves			
Called up share capital		1	1
Revaluation reserve		4,048,553	1,252,553
Profit and loss account		<u>526,811</u>	<u>367,623</u>
Shareholders funds		<u>4,575,365</u>	<u>1,620,177</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

These financial statements were approved by the board of directors and authorised for issue on 27 April 2017, and are signed on behalf of the board by



Bharat Sodha
Director

Company registration number: 04577816

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

Speed 9395 Limited
Statement of Changes in Equity
Year ended 31 July 2016

	Note	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 August 2014		1	1,578,716	320,881	1,899,598
Loss for the year				(179,421)	(179,421)
Other comprehensive income for the year:					
Revaluation of investment property	7	–	(326,163)	–	(326,163)
Reclassification from revaluation reserve to profit and loss account		–	–	326,163	326,163
Total comprehensive income for the year		–	(326,163)	146,742	(179,421)
Dividends paid and payable		–	–	(100,000)	(100,000)
Total investments by and distributions to owners		–	–	(100,000)	(100,000)
At 31 July 2015		1	1,252,553	367,623	1,620,177
Profit for the year				2,955,188	2,955,188
Other comprehensive income for the year:					
Revaluation of investment property	7	–	2,796,000	–	2,796,000
Reclassification from revaluation reserve to profit and loss account		–	–	(2,796,000)	(2,796,000)
Total comprehensive income for the year		–	2,796,000	159,188	2,955,188
At 31 July 2016		1	4,048,553	526,811	4,575,365

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

Speed 9395 Limited
Notes to the Financial Statements
Year ended 31 July 2016

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Zone G Salamander Quay West, Park Lane Harefield, Middlesex UB9 6NZ.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'. The July 2015 amendments to the standard have been early adopted.

3. Accounting policies

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 August 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 14.

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss. The financial statements are prepared in sterling, which is the functional currency of the entity.

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 (apart from those involving estimations) 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. In preparing these financial statements the directors have made the following judgements:-

Determined whether amounts are recoverable from group companies.

Assess the carrying value of the tangible assets.

Revenue recognition

Turnover represents rental income receivable by the company under the lease agreement and is recognised on the date when the rent is due.

Income 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 taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted in respect of all material timing differences.

Investment property

Investment property is included at fair value. Gains are recognised in the income statement. Deferred taxation is provided on these gains at the rate applicable at the year end.

Speed 9395 Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2016

3. Accounting policies *(continued)*

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

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from third parties and loans to related parties.

4. Auditor's remuneration

	2016	2015
	£	£
Fees payable for the audit of the financial statements	<u>3,600</u>	<u>3,000</u>

5. Interest payable and similar expenses

	2016	2015
	£	£
Other interest payable and similar charges	<u>44,527</u>	<u>59,253</u>

Speed 9395 Limited
Notes to the Financial Statements *(continued)*
Year ended 31 July 2016

6. Tax on profit

Major components of tax expense

	2016 £	2015 £
Current tax:		
UK current tax expense	38,181	36,394
Deferred tax:		
Origination and reversal of timing differences	699,000	326,163
Tax on profit	<u>737,181</u>	<u>362,557</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2015: higher than) the standard rate of corporation tax in the UK of 20% (2015: 20.67%).

	2016 £	2015 £
Profit on ordinary activities before taxation	3,692,369	183,136
Profit on ordinary activities by rate of tax	738,473	37,836
Effect of expenses not deductible for tax purposes	(698,960)	246
Effect of capital allowances and depreciation	(1,332)	(1,688)
Deferred tax	699,000	326,163
Tax on profit	<u>737,181</u>	<u>362,557</u>

7. Investment property

	Land and buildings £
At valuation	
At 1 August 2015	3,335,000
Fair value gain/(loss)	3,495,000
At 31 July 2016	<u>6,830,000</u>
Depreciation	
At 1 Aug 2015 and 31 Jul 2016	—
Carrying amount	
At 31 July 2016	<u>6,830,000</u>
At 31 July 2015	<u>3,335,000</u>

Speed 9395 Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2016

7. Investment property *(continued)*

Investment property held at valuation

The investment property was revalued on 28 October 2016 by Andrew Surgenor BSc(Hons) MRICS and Patrick Webb MSc MRICS, both being registered valuers at CBRE Limited. Investment property is included at fair value. Gains are recognised in the Statement of Comprehensive Income. Deferred taxation is provided on these gains at the rate applicable.

The trading value of the above property to the group is £7,785,000. This residential care home is operated by Handsale Limited which owns 50% of share capital of the holding company, Starcare Homes Limited.

The historical cost of the property was £1,756,284.

8. Debtors

	2016 £	2015 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,115,576	888,132
Other debtors	23,216	23,216
	<u>1,138,792</u>	<u>911,348</u>

9. Creditors: amounts falling due within one year

	2016 £	2015 £
Corporation tax	75,766	82,386
Other creditors	7,356	7,356
	<u>83,122</u>	<u>89,742</u>

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

	2016 £	2015 £
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<u>2,285,293</u>	<u>2,214,158</u>

Speed 9395 Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2016

11. Related party transactions

The company is a wholly owned subsidiary of Starcare Homes Limited. Both the companies are also related by virtue of common directorship of Bharat Sodha and Bhupendra Sodha.

The company is related to Handsale Limited by virtue of common directorship and indirect shareholding of Bharat Sodha. The company has given security to support the Santander bank loan and overdraft facility for Handsale Limited by granting a fixed charge on its freehold property and by a fixed and floating charge on its other assets and undertakings.

12. Controlling party

The ultimate parent company is Starcare Homes Limited, a company incorporated in England.

13. Ethical standards

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements

14. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 August 2014.

Reconciliation of equity

	1 August 2014			31 July 2015		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Fixed assets	3,335,000	–	3,335,000	3,335,000	–	3,335,000
Current assets	669,574	–	669,574	915,240	–	915,240
Creditors: amounts falling due within one year	(49,079)	–	(49,079)	(89,742)	–	(89,742)
Net current assets	620,495	–	620,495	825,498	–	825,498
Total assets less current liabilities	3,955,495	–	3,955,495	4,160,498	–	4,160,498
Creditors: amounts falling due after more than one year	(2,055,897)	–	(2,055,897)	(2,214,158)	–	(2,214,158)
Provisions	–	–	–	(42,578)	(283,585)	(326,163)
Net assets	1,899,598	–	1,899,598	1,903,762	(283,585)	1,620,177
Capital and reserves	1,899,598	–	1,899,598	1,903,762	(283,585)	1,620,177

Speed 9395 Limited
Notes to the Detailed Income Statement
Year ended 31 July 2016

	2016 £	2015 £	
Reconciliation of profit or loss for the year			
	Year ended 31 July 2015		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Turnover	273,337	–	273,337
Administrative expenses	(30,948)	–	(30,948)
Operating profit	242,389	–	242,389
Interest payable and similar expenses	(59,253)	–	(59,253)
Tax on profit	(78,972)	(283,585)	(362,557)
Profit/(loss) for the financial year	104,164	(283,585)	(179,421)