COMPANY REGISTRATION NUMBER: 04577816

Speed 9395 Limited

Financial Statements

31 July 2017

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COMPANIES HOUSE

ASHMANS

Chartered Accountants & Statutory Auditors

Zone G Salamander Quay West

Park Lane Harefield

Middlesex UB9 6NZ

Speed 9395 Limited

Financial Statements

Year ended 31 July 2017

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Speed 9395 Limited

Directors' Report

Year ended 31 July 2017

The directors present their report and the financial statements of the company for the year ended 31 July 2017.

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.

Disclosure of information to the 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.

Auditor

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

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

This report was approved by the board of directors on 25 April 2018 and signed on behalf of the board by:



Bharat Sodha
Director

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

Opinion

We have audited the financial statements of Speed 9395 Limited for the year ended 31 July 2017 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, Section 1A (United Kingdom Generally Accepted Accounting Practice).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 13 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

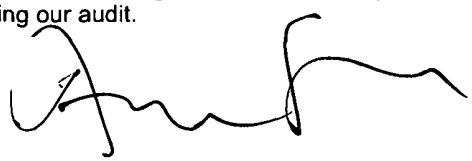
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



A M Sodha
Senior Statutory Auditor

For and on behalf of Ashmans

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

25 April 2018

Speed 9395 Limited

Statement of Comprehensive Income

Year ended 31 July 2017

	Note	2017 £	2016 £
Turnover		**273,336**	273,337
Gross profit		**273,336**	273,337
Administrative expenses		**45,726**	31,442
Operating profit		**227,610**	241,895
Gain on investment property at fair value through profit or loss		**–**	3,495,000
Other interest receivable and similar income		**–**	1
Interest payable and similar expenses	**5**	**83,943**	44,527
Profit before taxation		**143,667**	3,692,369
Tax on profit	**6**	**(36,740)**	737,181
Profit for the financial year		**180,407**	2,955,188
Other comprehensive income for the year		**–**	–
Total comprehensive income for the year		**180,407**	2,955,188

All the activities of the company are from continuing operations.

The notes on pages 9 to 14 form part of these financial statements.

Speed 9395 Limited

Statement of Financial Position

31 July 2017

	Note	2017 £	£	2016 £
Fixed assets				
Investment property	7		**7,725,242**	6,830,000
Current assets				
Debtors	8	**469,918**		1,138,792
Cash at bank and in hand		**328**		151
		470,246		1,138,943
Creditors: amounts falling due within one year	9	**2,475,711**		2,368,415
Net current liabilities			**2,005,465**	1,229,472
Total assets less current liabilities			**5,719,777**	5,600,528
Provisions				
Taxation including deferred tax			**964,005**	1,025,163
Net assets			**4,755,772**	4,575,365
Capital and reserves				
Called up share capital	10		**1**	1
Other reserves	11		**4,048,553**	4,048,553
Profit and loss account			**707,218**	526,811
Shareholders funds			**4,755,772**	4,575,365

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 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' Section 1A.

These financial statements were approved by the board of directors and authorised for issue on 25 April 2018, and are signed on behalf of the board by:

Bharat Sodha
Director

Company registration number: 04577816

The notes on pages 9 to 14 form part of these financial statements.

Speed 9395 Limited

Statement of Changes in Equity

Year ended 31 July 2017

	Note	Called up share capital £	Other reserves £	Profit and loss account £	Total £
At 1 August 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**
Profit for the year				180,407	**180,407**
Total comprehensive income for the year		–	–	180,407	**180,407**
At 31 July 2017		1	4,048,553	707,218	**4,755,772**

The notes on pages 9 to 14 form part of these financial statements.

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'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investment property measured at fair value through statement of comprehensive income.

The financial statements are prepared in pound sterling, which is the functional currency of the entity.

Critical accounting judgements and key sources of estimation uncertainty

No significant judgements have been made by management in preparing these financial statements.

The director has made the following key assumptions:

- The fair value estimation of the investment property is based on the latest independent valuation obtained, the state of the property market in the location where the property is situated and rental potential of the property.

- The carrying amount of balances receivable from group undertaking is determined after giving consideration to past experience of collecting payments and the financial position of the relevant group undertaking.

A different assessment of these considerations may result in different values being determined.

Revenue recognition

Turnover represents rental income receivable by the company under the lease agreement and is recognised on a straight line basis over the term of the lease.

3. **Accounting policies** *(continued)*

Taxation

Taxation expense represents the aggregate amount of current tax and deferred tax recognised in the reporting period.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the profit and loss account because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax
A deferred tax asset or liability is recognised for tax recoverable or payable in future periods in respect of transactions and events recognised in the financial statements of current and previous periods. Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. Timing differences result from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Investment property

Investment properties is stated at fair value. Any gains or loss arising from a change in fair value is recognised on the income statement. Deferred taxation is provided on these gains at the rate expected to apply when the properties are sold.

3. Accounting policies *(continued)*

Financial instruments

The company only enters into financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors, cash and cash equivalents, trade and other payables, and loans and borrowings.

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments. These include:

Trade and other debtors
Trade and other debtors are initially recognised at fair value at their nominal amount less impairment losses if due in less than 12 months. Subsequent to initial recognition, trade and other receivables are valued at amortised cost less impairment losses.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits. The cash and cash equivalents are stated at their nominal values, as this approximates to amortised cost.

Other financial liabilities
Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

Loans and borrowings
These are initially recognised at fair value, based upon the nominal amount outstanding. Subsequent to initial recognition, they are recorded at amortised cost. Borrowing costs arising on bank borrowings are expensed as incurred within financial expense using the effective interest method.

Trade and other payables
Trade and other payables are initially recognised at fair value, based upon the nominal amount outstanding. Subsequent to initial recognition, they are recorded at amortised cost.

Impairment of financial assets
For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4. Auditor's remuneration

	2017	2016
	£	£
Fees payable for the audit of the financial statements	**3,600**	3,600

5. Interest payable and similar expenses

	2017	2016
	£	£
Other interest payable and similar charges	**83,943**	44,527

6. Tax on profit

Major components of tax (income)/expense

	2017	2016
	£	£
Current tax:		
UK current tax expense	**24,624**	38,181
Adjustments in respect of prior periods	**(206)**	–
Total current tax	**24,418**	38,181
Deferred tax:		
Origination and reversal of timing differences	**(61,158)**	699,000
Tax on profit	**(36,740)**	737,181

Reconciliation of tax (income)/expense

The tax assessed on the profit on ordinary activities for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK of 19.66% (2016: 20%).

	2017	2016
	£	£
Profit on ordinary activities before taxation	**143,667**	3,692,369
Profit on ordinary activities by rate of tax	**28,254**	738,473
Adjustment to tax charge in respect of prior periods	**(206)**	–
Effect of expenses not deductible for tax purposes	**98**	(698,960)
Effect of capital allowances and depreciation	**(3,728)**	(1,332)
Deferred tax	**(61,158)**	699,000
Tax on profit	**(36,740)**	737,181

7. Investment property

	Land and buildings
	£
Cost / Valuation	
At 1 August 2016	**6,830,000**
Additions	**895,242**
At 31 July 2017	**7,725,242**
Depreciation	
At 1 August 2016 and 31 July 2017	**–**
Carrying amount	
At 31 July 2017	**7,725,242**
At 31 July 2016	6,830,000

7. Investment property *(continued)*

Investment property held at valuation

In the opinion of the director of the company, the value of the property has not materially changed since the previous valuation by reference to market evidence of transaction prices for similar properties in its location and taking into account the rental potential of the property in the area where the property is situated.

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

	2017	2016
	£	£
Amounts owed by group undertakings	**446,702**	1,115,576
Other debtors	**23,216**	23,216
	469,918	1,138,792

9. Creditors: amounts falling due within one year

	2017	2016
	£	£
Amounts owed to group undertakings	**2,380,675**	2,285,293
Corporation tax	**64,031**	75,766
Other creditors	**31,005**	7,356
	2,475,711	2,368,415

10. Called up share capital

Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	**1**	**1**	1	1

11. Other reserves

Where there is a cumulative increase in the fair value of investment properties in excess of any previous impairment losses, this is included in other reserves and is non-distributable.

12. 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 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.

13. Contingencies

The company is jointly and severally liable, in respect of the cross guarantees provided relating to the bank loan in Handsale Limited.

14. 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.

15. Controlling party

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

The company is under the joint control of the directors, Bharat Sodha through his family shareholding in Handsale Limited and Bhupendra Sodha through his direct family shareholding in the company.