

HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016



HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

COMPANY INFORMATION

DIRECTORS

Mr J G Whelan
Ms H Canning (resigned 12 July 2016)

COMPANY SECRETARY

Ms H Canning (resigned 12 July 2016)

REGISTERED NUMBER

05453021

REGISTERED OFFICE

Minerva House
Lower Bristol Road
Bath
BA2 9ER

INDEPENDENT AUDITORS

Bishop Fleming Bath Limited
Chartered Accountants & Statutory Auditors
Minerva House
Lower Bristol Road
Bath
BA2 9ER

HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

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HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2016

The directors present their report and the financial statements for the year ended 30 June 2016.

PRINCIPAL ACTIVITY

The principal activity of the company during the year was that of a property holding company.

DIRECTORS

The directors who served during the year were:

Mr J G Whelan
Ms H Canning (resigned 12 July 2016)

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

The auditors, Bishop Fleming Bath Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

SMALL COMPANIES NOTE

In preparing this report, the directors have 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.

Mr J G Whelan
Director



Date: 24/03/2017

Minerva House
Lower Bristol Road
Bath
BA2 9ER

HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 JUNE 2016

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements 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.

HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

We have audited the financial statements of Higher Drive Nursing Home (Holdings) Limited for the year ended 30 June 2016, set out on pages 5 to 19. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 Auditors' 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 AUDITORS

As explained more fully in the Directors' responsibilities statement on page 2, 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 Financial Reporting Council'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 30 June 2016 and of its profit or loss 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 those financial statements.

HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HIGHER DRIVE NURSING HOME
(HOLDINGS) LIMITED (CONTINUED)

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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.



Andrew Sandiford BCom FCA (Senior statutory auditor)
for and on behalf of

Bishop Fleming Bath Limited

Chartered Accountants

Statutory Auditors

Minerva House

Lower Bristol Road

Bath

BA2 9ER

Date:

22/8/17

HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 £	2015 £
Turnover	4	320,000	320,000
GROSS PROFIT		320,000	320,000
Administrative expenses		(95,222)	(46,224)
OPERATING PROFIT	5	224,778	273,776
Interest payable and expenses	7	(126,345)	(110,699)
PROFIT BEFORE TAX		98,433	163,077
Tax on profit	8	(57,058)	(36,433)
PROFIT FOR THE YEAR		41,375	126,644

There was no other comprehensive income for 2016 (2015: £NIL). All activities were continuing.

The notes on pages 8 to 19 form part of these financial statements.

HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED
REGISTERED NUMBER:05453021

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	2016 £	2016 £	2015 £	2015 £
FIXED ASSETS					
Tangible assets	9		5,886,808		3,531,943
Investments	10		100		100
			<u>5,886,908</u>		<u>3,532,043</u>
CURRENT ASSETS					
Debtors: amounts falling due within one year	11	2,923,504		4,528,841	
Cash at bank and in hand	12	15,375		20,062	
		<u>2,938,879</u>		<u>4,548,903</u>	
Creditors: amounts falling due within one year	13	(3,747,852)		(3,447,218)	
NET CURRENT (LIABILITIES)/ASSETS			<u>(808,973)</u>		<u>1,101,685</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,077,935</u>		<u>4,633,728</u>
Creditors: amounts falling due after more than one year	14		(4,753,428)		(4,421,620)
PROVISIONS FOR LIABILITIES					
Deferred Taxation			<u>(154,038)</u>		<u>(83,014)</u>
NET ASSETS			<u><u>170,469</u></u>		<u><u>129,094</u></u>
CAPITAL AND RESERVES					
Called up share capital	18		100		100
Profit and loss account	19		170,369		128,994
			<u>170,469</u>		<u>129,094</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Mr J G Whelan

Director

Date: 24/03/2017

The notes on pages 8 to 19 form part of these financial statements.

HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 July 2015	100	128,994	129,094
Profit and total comprehensive income for the year	-	41,375	41,375
AT 30 JUNE 2016	100	170,369	170,469

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 July 2014	100	2,350	2,450
Profit and total comprehensive income for the year	-	126,644	126,644
AT 30 JUNE 2015	100	128,994	129,094

The notes on pages 8 to 19 form part of these financial statements.

HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

1. GENERAL INFORMATION

Higher Drive Nursing Home (Holdings) Limited is a limited liability company incorporated in the UK. The registered office is Minerva House, Lower Bristol Road, Bath, BA2 9ER.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 22.

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's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 FINANCIAL REPORTING STANDARD 102 - REDUCED DISCLOSURE EXEMPTIONS

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Fairlie Holdings Limited as at 30 June 2016 and these financial statements may be obtained from 2-6 Uffington Road, West Norwood, London SE27 0RW..

The Company has taken exemption from preparing consolidated financial statements as it forms part of a larger group preparing consolidated financial statements in the UK.

HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

2. ACCOUNTING POLICIES (continued)

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. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	2% straight line
Assets under construction	-	straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

Assets under construction will be depreciated from date brought in for use.

2.5 VALUATION OF INVESTMENTS

investments in subsidiaries are measured at cost less accumulated impairment.

2.6 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.

HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

2. ACCOUNTING POLICIES (continued)

2.7 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.

2.8 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument 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 debtors and creditors, 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 creditors or debtors, 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 Income statement.

2.9 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.

2.10 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.

2.11 BORROWING COSTS

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

2. ACCOUNTING POLICIES (continued)

2.12 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.13 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

There were no significant judgements or estimates applied in the preparation of the financial statements.

4. TURNOVER

The whole of the turnover is attributable to the principal activity.

All turnover arose within the United Kingdom.

HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

5. OPERATING PROFIT

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	24,491	23,850
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	2,300	-

During the year, no director received any emoluments (2015:£NIL).

Auditors' remuneration was paid by a fellow group company in the previous year.

6. EMPLOYEES

The Company has no employees other than the directors, who did not receive any remuneration (2015:£NIL).

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2016 £	2015 £
Bank interest payable	126,345	110,699
	<u>126,345</u>	<u>110,699</u>

8. TAXATION

	2016 £	2015 £
CORPORATION TAX		
Current tax on profits for the year	-	29,416
Adjustments in respect of previous periods	(13,966)	-
TOTAL CURRENT TAX	<u>(13,966)</u>	<u>29,416</u>
DEFERRED TAX		
Origination and reversal of timing differences	79,326	7,017
Changes to tax rates	(8,302)	-
TOTAL DEFERRED TAX	<u>71,024</u>	<u>7,017</u>
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	<u>57,058</u>	<u>36,433</u>

HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

8. TAXATION (CONTINUED)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than (2015:the same as) the standard rate of corporation tax in the UK of 20% (2015:20.75%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	<u>98,433</u>	<u>163,077</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015:20.75%)	19,687	33,840
EFFECTS OF:		
Fixed asset differences	3,182	3,151
Adjustments to tax charge in respect of prior periods	(13,966)	-
Movement in deferred tax	(17,116)	(264)
Group relief	65,271	-
Marginal relief	-	(294)
TOTAL TAX CHARGE FOR THE YEAR	<u>57,058</u>	<u>36,433</u>

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

The 2016 budget on 16 March 2016 announced that the UK corporation tax rate will reduce to 19% by 2017 and then to 17% by 2020.

HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

9. TANGIBLE FIXED ASSETS

	Freehold property £	Assets under construction £	Total £
COST			
At 1 July 2015	3,603,612	-	3,603,612
Additions	-	2,379,356	2,379,356
At 30 June 2016	<u>3,603,612</u>	<u>2,379,356</u>	<u>5,982,968</u>
DEPRECIATION			
At 1 July 2015	71,669	-	71,669
Charge for period on owned assets	24,491	-	24,491
At 30 June 2016	<u>96,160</u>	<u>-</u>	<u>96,160</u>
NET BOOK VALUE			
At 30 June 2016	<u>3,507,452</u>	<u>2,379,356</u>	<u>5,886,808</u>
At 30 June 2015	<u>3,531,943</u>	<u>-</u>	<u>3,531,943</u>

Included in land and buildings is freehold land at a cost of £1,180,559 (2015: £1,180,559), which is not depreciated.

HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

10. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
COST	
At 1 July 2015	100
At 30 June 2016	100
NET BOOK VALUE	
At 30 June 2016	100
At 30 June 2015	100

SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
92 Higher Drive Limited	UK	Ordinary	100 %	Care home operator

11. DEBTORS

	2016 £	2015 £
Amounts owed by group undertakings	2,901,328	3,964,401
Other debtors and prepayments	22,176	564,440
	<u>2,923,504</u>	<u>4,528,841</u>

Amounts owed by group undertakings are unsecured, repayable on demand and bear no interest.

12. CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash at bank and in hand	15,375	20,062
	<u>15,375</u>	<u>20,062</u>

HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Bank loans	83,548	82,484
Amounts owed to group undertakings	3,345,369	3,309,158
Corporation tax	-	29,416
Other creditors	318,935	26,160
	<u>3,747,852</u>	<u>3,447,218</u>

Secured loans

Bank loans are secured by a fixed charge over the assets of the company and by cross guarantee with 92 Higher Drive Limited, a subsidiary company, in favour of Barclays Bank plc. The loan bears interest at 2.25% over LIBOR and is repayable by instalment on a notional term of 20 years for 5 years from the first drawdown.

Amounts owed to group undertakings are unsecured, repayable on demand and bear no interest.

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

	2016 £	2015 £
Bank loans	4,753,428	4,421,620
	<u>4,753,428</u>	<u>4,421,620</u>

Secured loans

Bank loans are secured by a fixed charge over the assets of the company and by gross guarantee with 92 Higher Drive Limited, a subsidiary company, in favour of Barclays Bank plc. The loan bears interest at 2.25% over LIBOR and is repayable by instalment on a notional term of 20 years for 5 years from the first drawdown.

HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

15. LOANS

Analysis of the maturity of loans is given below:

	2016 £	2015 £
AMOUNTS FALLING DUE WITHIN ONE YEAR		
Bank loans	83,548	82,484
	<u>83,548</u>	<u>82,484</u>
AMOUNTS FALLING DUE 1-2 YEARS		
Bank loans	83,548	82,484
	<u>83,548</u>	<u>82,484</u>
AMOUNTS FALLING DUE 2-5 YEARS		
Bank loans	4,669,880	4,339,136
	<u>4,669,880</u>	<u>4,339,136</u>
	<u>4,836,976</u>	<u>4,504,104</u>

HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

16. FINANCIAL INSTRUMENTS

	2016 £	2015 £
FINANCIAL ASSETS		
Financial assets measured at fair value through profit or loss	15,375	20,062
Financial assets that are debt instruments measured at amortised cost	2,923,504	4,528,841
	<u>2,938,879</u>	<u>4,548,903</u>
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	(8,501,279)	(7,839,422)
	<u>(8,501,279)</u>	<u>(7,839,422)</u>

Financial assets measured at fair value through profit or loss comprise of cash at bank and in hand.

Financial assets measured at amortised cost comprise of amounts owed by group undertakings and other debtors.

Financial Liabilities measured at amortised cost comprise of bank loans, amounts owed to group undertakings and other creditors.

17. DEFERRED TAXATION

	2016 £
At beginning of year	(83,014)
Charged to the profit or loss	(71,024)
AT END OF YEAR	<u>(154,038)</u>

The provision for deferred taxation is made up as follows:

	2016 £
Accelerated capital allowances	(154,038)
	<u>(154,038)</u>

HIGHER DRIVE NURSING HOME (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

18. SHARE CAPITAL

	2016 £	2015 £
SHARES CLASSIFIED AS EQUITY		
ALLOTTED, CALLED UP AND FULLY PAID		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

19. RESERVES

Profit and loss account

This includes all current and prior period retained profits and losses.

20. RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary of a group whose consolidated financial statements are publicly available and has therefore taken advantage of exemption under Section 33 to not disclose transactions with other group companies. Related party balances are as follows:

	2016 £	2015 £
Owed to immediate parent company	3,345,269	3,309,158
Owed by subsidiary	891,316	965,308
Owed by fellow subsidiaries	<u>2,010,012</u>	<u>2,999,093</u>

21. CONTROLLING PARTY

The ultimate parent undertaking is Fairlie Holdings Limited, a company incorporated in the United Kingdom.

The ultimate controlling party is Mr J G Whelan by virtue of his majority shareholding in Fairlie Holdings Limited.

22. FIRST TIME ADOPTION OF FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and t