COMPANY REGISTRATION NUMBER: 05678122

# Stoneleigh Residential Care Home Limited

## Filleted Unaudited Financial Statements

## 31 May 2022

# Stoneleigh Residential Care Home Limited

## Statement of Financial Position

## 31 May 2022

| | Note | 2022 £ | 2022 £ | 2021 £ | 2021 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 6 | | **872,148** | | 818,241 |
| **Current assets** | | | | | |
| Stocks | | **1,550** | | 1,050 | |
| Debtors | 7 | **151,523** | | 185,108 | |
| Cash at bank and in hand | | **43,718** | | 152,650 | |
| | | **196,791** | | 338,808 | |
| **Creditors: amounts falling due within one year** | 8 | **210,039** | | 231,850 | |
| **Net current (liabilities)/assets** | | | **( 13,248)** | | 106,958 |
| **Total assets less current liabilities** | | | **858,900** | | 925,199 |
| **Creditors: amounts falling due after more than one year** | 9 | | **531,433** | | 569,583 |
| **Provisions** | | | | | |
| Taxation including deferred tax | | | **18,210** | | 6,488 |
| **Net assets** | | | **309,257** | | 349,128 |
| **Capital and reserves** | | | | | |
| Called up share capital | | | **2** | | 2 |
| Profit and loss account | 11 | | **309,255** | | 349,126 |
| **Shareholders funds** | | | **309,257** | | 349,128 |

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 Section 1A of 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 income statement has not been delivered.

For the year ending 31 May 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges her responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

## Statement of Financial Position *(continued)*

### 31 May 2022

These financial statements were approved by the board of directors and authorised for issue on 13 October 2022 , and are signed on behalf of the board by:

Mrs T J Troupe

Director

Company registration number: 05678122

# Stoneleigh Residential Care Home Limited

## Notes to the Financial Statements

## Year ended 31 May 2022

### 1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Tallford House, 38 Walliscote Road, Weston-super-Mare, North Somerset, BS23 1LP. The principal activity of the company during the year was the running of a residential care home for the elderly.

### 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 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. Significant judgements 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 are as follows: Bad debt provision Key sources of estimation uncertainty Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows: Depreciation Amortisation

**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 for the rendering of services is recognised with reference to the stage of completion of the transaction. The account of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, the stage of completion of the transaction at the end of the reporting period can be measured reliably, and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

**Taxation**

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 | - | 5 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.

**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:

| | | |
|---|---|---|
| Fixtures, fittings and equipment | - | 5 years straight line |
| Motor vehicles | - | 25% reducing balance |
| Property improvements | - | 50 years straight line |

**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.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings or current liabilities.

**Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

**Government grants**

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

**Financial instruments**

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

**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 30 (2021: 29 ).

**5. Intangible assets**

| | Goodwill |
|---|---|
| | £ |
| **Cost** | |
| **At 1 June 2021 and 31 May 2022** | **85,000** |
| **Amortisation** | |
| **At 1 June 2021 and 31 May 2022** | **85,000** |
| **Carrying amount** | |
| **At 31 May 2022** | **–** |
| At 31 May 2021 | – |

**6. Tangible assets**

| | Land and buildings | Fixtures, fittings and equipment | Motor vehicles | Property improve- ments | **Total** |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | **£** |
| **Cost** | | | | | |
| At 1 June 2021 | 812,880 | 294,060 | 10,000 | 160,784 | **1,277,724** |
| Additions | **–** | 30,112 | 71,000 | 14,776 | **115,888** |
| Disposals | – | ( 164,770) | – | – | **( 164,770)** |
| **At 31 May 2022** | 812,880 | 159,402 | 81,000 | 175,560 | **1,228,842** |
| **Depreciation** | | | | | |
| At 1 June 2021 | 178,732 | 255,013 | 7,627 | 18,111 | **459,483** |
| Charge for the year | 16,257 | 20,940 | 18,343 | 4,899 | **60,439** |
| Disposals | – | ( 163,228) | – | – | **( 163,228)** |
| **At 31 May 2022** | 194,989 | 112,725 | 25,970 | 23,010 | **356,694** |
| **Carrying amount** | | | | | |
| **At 31 May 2022** | 617,891 | 46,677 | 55,030 | 152,550 | **872,148** |
| At 31 May 2021 | 634,148 | 39,047 | 2,373 | 142,673 | 818,241 |

**Finance leases and hire purchase contracts**

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

| | Fixtures, fittings and equipment | Motor vehicles | **Total** |
|---|---|---|---|
| | £ | £ | **£** |
| **At 31 May 2022** | 9,128 | 53,250 | **62,378** |
| At 31 May 2021 | 10,202 | – | 10,202 |

**7. Debtors**

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Trade debtors | **5,930** | 6,504 |
| Other debtors | **145,593** | 178,604 |
| | **151,523** | 185,108 |

**8. Creditors: amounts falling due within one year**

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Bank loans and overdrafts | **112,151** | 118,696 |
| Trade creditors | **13,871** | 11,868 |
| Social security and other taxes | **6,134** | 5,604 |
| Other creditors | **77,883** | 95,682 |
| | **210,039** | 231,850 |

The bank loans are secured on the company property at 24 Clarence Road South and by a fixed and floating charge over the company's assets.

Included in other creditors is £9,215 (2021 £2,278) in respect of a hire purchase and finance lease which are secured on the assets to which they relates.

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

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Bank loans and overdrafts | **468,802** | 562,066 |
| Other creditors | **62,631** | 7,517 |
| | **531,433** | 569,583 |

The bank loans are secured on the company property at 24 Clarence Road South and by a fixed and floating charge over the company's assets.

Included in other creditors is £62,631 (2021 £7,517) in respect of a hire purchase and finance lease which are secured on the assets to which they relates.

Included within creditors: amounts falling due after more than one year is an amount of £143,332 (2021: £223,122) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

One loan is due to be repaid during August 2030 and the interest rate is 2.15% per annum over Base Rate. Another loan is due to be repaid during July 2028 and the interest rate is 2.74% per annum over Base Rate. The final loan is a Coronavirus Bounce Back Loan which is due to be repaid by May 2026. Interest is payable on this loan is fixed at 3.17% for the first 5 years, and at 2.71% per annum above bank base thereafter.

**10. Government grants**

The amounts recognised in the financial statements for government grants are as follows:

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Recognised in other operating income: | | |
| Government grants recognised directly in income | **36,201** | 89,846 |

The above monies include funds from the Government in respect of participation in the UK Government's Coronavirus Job Retention Scheme, Infection Control Fund Grants and the first 12 months of interest on a loan obtained under the Coronavirus Business Interruption Loan Scheme paid by HM Government.

**11. Reserves**

Profit and loss account - This reserve records retained earnings and accumulated losses.

**12. Director's advances, credits and guarantees**

During the year the director entered into the following advances and credits with the company:

| | **2022** | | | |
|---|---|---|---|---|
| | Balance brought forward | Advances/ (credits) to the director | Amounts repaid | **Balance outstanding** |
| | £ | £ | £ | **£** |
| Director's loan | 164,044 | 160,249 | ( 188,771) | **135,522** |

| | 2021 | | | |
|---|---|---|---|---|
| | Balance brought forward | Advances/ (credits) to the director | Amounts repaid | Balance outstanding |
| | £ | £ | £ | £ |
| Director's loan | 112,079 | 173,752 | ( 121,787) | 164,044 |

**13. Related party transactions**

The Director has given a personal guarantee of £50,000 against the bank borrowings. Interest is paid on the overdrawn Director's loan account balance at the prevailing HMRC beneficial loan interest rate.

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