Company Registration No. 09598613 (England and Wales)

LITTLEFAIR CARE HOME LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2018

PAGES FOR FILING WITH REGISTRAR

LITTLEFAIR CARE HOME LIMITED

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LITTLEFAIR CARE HOME LIMITED

BALANCE SHEET

AS AT 31 OCTOBER 2018

	Notes	31.10.2018 £	£	31.05.2017 £	£
Fixed assets					
Tangible assets	3		1,951,305		1,956,630
Current assets					
Debtors	4	11,851		198,697	
Cash at bank and in hand		4,129		7,654	
		15,980		206,351	
Creditors: amounts falling due within one year	5	(1,256,432)		(1,438,754)	
Net current liabilities			(1,240,452)		(1,232,403)
Total assets less current liabilities			710,853		724,227
Creditors: amounts falling due after more than one year	6		(524,691)		(565,262)
Provisions for liabilities			-		(4,174)
Net assets			186,162		154,791
Capital and reserves					
Called up share capital	7		100		100
Profit and loss reserves			186,062		154,691
Total equity			186,162		154,791

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 October 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 25 September 2019 and are signed on its behalf by:

Mr N A J Sherard
Director

Company Registration No. 09598613

1 Accounting policies

Company information

Littlefair Care Home Limited is a private company limited by shares incorporated in England and Wales. The registered office is Tifters, 43 The Street, Charlwood, Surrey, RH6 0BY.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Reporting period

The company extended its accounting reference date from 31 May 2017 to 31 October 2017. The current year accounts represent a twelve month period whilst the previous year's accounts represent a seventeen month. The two periods of accounts are therefore not entirely comparable.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	Not depreciated
Plant and machinery	18% and 25% reducing balance
Fixtures and fittings	15% straight line
Computer equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1 **Accounting policies** **(Continued)**

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

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

Classification of financial liabilities

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

1 **Accounting policies** **(Continued)**

Basic financial liabilities

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

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

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

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

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

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 40 (2017-46).

3 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Fixtures and fittings	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 November 2017	1,811,145	218,550	9,022	4,906	2,043,623
Additions	12,908	7,550	5,454	717	26,629
At 31 October 2018	1,824,053	226,100	14,476	5,623	2,070,252
Depreciation and impairment					
At 1 November 2017	-	83,457	1,917	1,619	86,993
Depreciation charged in the year	-	28,377	2,171	1,406	31,954
At 31 October 2018	-	111,834	4,088	3,025	118,947
Carrying amount					
At 31 October 2018	1,824,053	114,266	10,388	2,598	1,951,305
At 31 October 2017	1,811,145	135,093	7,105	3,287	1,956,630

The carrying value of land and buildings has been arrived at on the basis of a valuation carried out at the year end by the directors.

4 Debtors

	2018	2017
Amounts falling due within one year:	£	£
Trade debtors	3,333	195,140
Other debtors	8,518	3,557
	11,851	198,697

5 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Bank loans and overdrafts		71,424	55,121
Trade creditors		110,324	227,870
Corporation tax		4,467	16,827
Other taxation and social security		7,256	8,578
Other creditors		1,059,361	1,126,758
Accruals and deferred income		3,600	3,600
		1,256,432	1,438,754

6 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Bank loans and overdrafts	524,691	565,262

7 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	100	100

8 Directors' transactions

Included within other creditors falling due within one year are the directors' loan accounts of £1,059,361 (2017: £1,126,758).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.