

COMPANY REGISTRATION NUMBER: 03154976

Gracelands Care Home Limited
Filleted Abridged Financial Statements
31 May 2021

Gracelands Care Home Limited

Balance Sheet

31 May 2021

		2021	2020
	Note	£	£
Fixed assets			
Tangible assets	5	2,618,882	2,620,881
Current assets			
Stocks	6	3,000	3,000
Debtors		107,199	97,494
Cash at bank and in hand		354,646	139,180
		464,845	239,674
Creditors: amounts falling due within one year		498,813	251,966
Net current liabilities		33,968	12,292
Total assets less current liabilities		2,584,914	2,608,589
Creditors: amounts falling due after more than one year	7	471,160	545,195
Provisions			
Taxation including deferred tax	8	225,083	225,172
Net assets		1,888,671	1,838,222
Capital and reserves			
Called up share capital	11	150,000	150,000
Revaluation reserve	12	1,608,977	1,608,977
Profit and loss account	12	129,694	79,245
Shareholders funds		1,888,671	1,838,222

These abridged 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 abridged profit and loss account has not been delivered.

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

All of the members have consented to the preparation of the abridged profit and loss account and the balance sheet for the year ending 31 May 2021 in accordance with Section 444(2A) of the Companies Act 2006.

Gracelands Care Home Limited

Balance Sheet *(continued)*

31 May 2021

These abridged financial statements were approved by the board of directors and authorised for issue on 31 March 2022 , and are signed on behalf of the board by:

B M Parvin

Director

Company registration number: 03154976

Gracelands Care Home Limited

Notes to the Abridged Financial Statements

Year ended 31 May 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Belmangate, Guisborough, TS14 7BD.

2. Statement of compliance

These abridged 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 abridged 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 abridged financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

(a) Disclosures in respect of each class of share capital have not been presented. (b) No cash flow statement has been presented for the company. (c) Disclosures in respect of financial instruments have not been presented, as none were used during the year. (d) No disclosure has been given for the aggregate remuneration of key management personnel.

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.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

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 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.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

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 and fittings - 20% straight line

Freehold property is not depreciated as it is of the opinion of the director that the property is maintained to such a standard that its residual value is at least that of its net book value.

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 are 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.

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.

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 balance sheet 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

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost.

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 49 (2020: 48).

5. Tangible assets

	£
Cost	
At 1 June 2020	2,684,681
Additions	4,293

At 31 May 2021	2,688,974

Depreciation	
At 1 June 2020	63,800
Charge for the year	6,292

At 31 May 2021	70,092

Carrying amount	
At 31 May 2021	2,618,882

At 31 May 2020	2,620,881

Tangible assets held at valuation

A valuation of £2,600,000 of the Freehold Property was obtained for Gracelands Nursing Home during the previous years. The valuation was performed by a professional valuer fully independent of Gracelands Care Home Limited . The director is of the opinion that the fair value of the property has not changed materially since this valuation. In respect of tangible assets held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	£
At 31 May 2021	
Aggregate cost	822,627
Aggregate depreciation	—

Carrying value	822,627

At 31 May 2020	
Aggregate cost	822,627
Aggregate depreciation	—

Carrying value	822,627

6. Stocks

	2021	2020
	£	£
Raw materials and consumables	3,000	3,000
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7. Creditors: amounts falling due after more than one year

Included within creditors: amounts falling due after more than one year is an amount of £131,191 (2020: £205,226) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

There are two loans which include amounts due for payment after more than five years. These are repayable by monthly instalments and have interest rates of 1.25% and 2.77%.

8. Provisions

	Deferred tax (note 9) £
At 1 June 2020	225,172
Charge against provision	(89)
At 31 May 2021	225,083

9. Deferred tax

The deferred tax included in the balance sheet is as follows:

	2021 £	2020 £
Included in provisions (note 8)	225,083	225,172
The deferred tax account consists of the tax effect of timing differences in respect of:		
	2021 £	2020 £
Accelerated capital allowances	1,853	1,942
Revaluation of tangible assets	223,230	223,230
	225,083	225,172

10. Financial instruments

There have been no non-basic financial instruments used in the year by the company.

11. Called up share capital

Issued, called up and fully paid

	2021	2020
	No.	No.
	£	£
Ordinary shares of £ 1 each	150,000	150,000

12. Reserves

Revaluation reserve - This reserve records the value of asset revaluations and fair value movements on assets recognised in other comprehensive income. Profit and loss account - This reserve records retained earnings and accumulated losses.

13. Summary audit opinion

The auditor's report for the year dated 31 March 2022 was unqualified .

The senior statutory auditor was Martin Firth BA(Hons) FCA , for and on behalf of Chipchase Manners .

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.