

Victoria Lodge Care Home Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 May 2023

Mr Piyush Patel
Chartered Certified Accountant
4 Arkwright Road
Sanderstead
Surrey
CR2 0LD

Victoria Lodge Care Home Limited

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Victoria Lodge Care Home Limited

Company Information

Director	Mrs V A Patel
Registered office	4 Arkwright Road Sanderstead Surrey CR2 0LD
Accountants	Mr Piyush Patel Chartered Certified Accountant 4 Arkwright Road Sanderstead Surrey CR2 0LD

Victoria Lodge Care Home Limited

(Registration number: 7253187)
Balance Sheet as at 31 May 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	<u>4</u>	122,500	140,000
Tangible assets	<u>5</u>	817,066	847,872
		<u>939,566</u>	<u>987,872</u>
Current assets			
Stocks	<u>6</u>	925	945
Debtors	<u>7</u>	352,965	307,854
Cash at bank and in hand		91,090	98,373
		<u>444,980</u>	<u>407,172</u>
Creditors: Amounts falling due within one year	<u>8</u>	<u>(1,364,967)</u>	<u>(1,435,719)</u>
Net current liabilities		<u>(919,987)</u>	<u>(1,028,547)</u>
Net assets/(liabilities)		<u>19,579</u>	<u>(40,675)</u>
Capital and reserves			
Called up share capital	<u>9</u>	100	100
Revaluation reserve		179,126	179,126
Retained earnings		<u>(159,647)</u>	<u>(219,901)</u>
Shareholders' funds/(deficit)		<u>19,579</u>	<u>(40,675)</u>

For the financial year ending 31 May 2023 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 accounts for the year in question in accordance with section 476; and
- The director acknowledges her responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. As permitted by section 444 (5A) of the Companies Act 2006, the director has not delivered to the registrar a copy of the Profit and Loss Account.

Approved and authorised by the director on 22 February 2024

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Mrs V A Patel
Director

The notes on pages 3 to 8 form an integral part of these financial statements.
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Victoria Lodge Care Home Limited

Notes to the Financial Statements for the Year Ended 31 May 2023

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

4 Arkwright Road
Sanderstead
Surrey
CR2 0LD

The principal place of business is:

48-50 Shakespeare Road
Worthing
West Sussex
BN11 4AS

These financial statements were authorised for issue by the director on 22 February 2024.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime). The financial statements have been prepared under the historical cost convention and in accordance with FRS 105 'The Financial Reporting Standard applicable to the Micro-entities Regime'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

Victoria Lodge Care Home Limited

Notes to the Financial Statements for the Year Ended 31 May 2023

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Land and building	2.5% of cost
Fixture and fittings	15% of cost
Office equipment	15% of cost
Motor vehicle	20% of cost

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	5% of cost

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Victoria Lodge Care Home Limited

Notes to the Financial Statements for the Year Ended 31 May 2023

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges. Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Victoria Lodge Care Home Limited

Notes to the Financial Statements for the Year Ended 31 May 2023

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 27 (2022 - 27).

Victoria Lodge Care Home Limited

Notes to the Financial Statements for the Year Ended 31 May 2023

4 Intangible assets

	Goodwill	Total
	£	£
Cost or valuation		
At 1 June 2022	350,000	350,000
At 31 May 2023	350,000	350,000
Amortisation		
At 1 June 2022	210,000	210,000
Amortisation charge	17,500	17,500
At 31 May 2023	227,500	227,500
Carrying amount		
At 31 May 2023	122,500	122,500
At 31 May 2022	140,000	140,000

5 Tangible assets

	Land and buildings	Furniture, fittings and equipment	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 June 2022	1,150,000	313,019	2,200	1,465,219
Additions	-	1,195	-	1,195
At 31 May 2023	1,150,000	314,214	2,200	1,466,414
Depreciation				
At 1 June 2022	322,609	292,539	2,199	617,347
Charge for the year	28,750	3,251	-	32,001
At 31 May 2023	351,359	295,790	2,199	649,348
Carrying amount				
At 31 May 2023	798,641	18,424	1	817,066
At 31 May 2022	827,391	20,480	1	847,872

6 Stocks

	2023	2022
	£	£
Finished goods and goods for resale	925	945

Victoria Lodge Care Home Limited

Notes to the Financial Statements for the Year Ended 31 May 2023

7 Debtors

	2023	2022
	£	£
Current		
Trade debtors	206,173	165,562
Other debtors	146,792	142,292
	<u>352,965</u>	<u>307,854</u>

8 Creditors

Creditors: amounts falling due within one year

	Note	2023	2022
		£	£
Due within one year			
Loans and borrowings	<u>10</u>	784,771	847,039
Trade creditors		3,158	5,005
Taxation and social security		27,500	34,634
Accruals and deferred income		1,800	1,740
Other creditors		547,738	547,301
		<u>1,364,967</u>	<u>1,435,719</u>

9 Share capital

Allotted, called up and fully paid shares

	2023		2022	
	No.	£	No.	£
Ordinary of £1 each	100	100	100	100

10 Loans and borrowings

	2023	2022
	£	£
Current loans and borrowings		
Bank borrowings	784,771	836,611
Bank overdrafts	-	10,428
	<u>784,771</u>	<u>847,039</u>

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.