

Company Registration No. SC259713 (Scotland)

BROXBURN NURSING HOME LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
PAGES FOR FILING WITH REGISTRAR

BROXBURN NURSING HOME LIMITED

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BROXBURN NURSING HOME LIMITED

COMPANY INFORMATION

Director	J Chohan
Company number	SC259713
Registered office	Head Office Wyvis House Station Road Dingwall Ross-Shire United Kingdom IV15 9FF
Accountants	Azets 10 Ardross Street Inverness United Kingdom IV3 5NS

BROXBURN NURSING HOME LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2021**

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	4		972,108		964,736
Current assets					
Debtors	5	831,045		635,593	
Cash at bank and in hand		521,431		474,379	
		<u>1,352,476</u>		<u>1,109,972</u>	
Creditors: amounts falling due within one year	6	<u>(390,917)</u>		<u>(335,158)</u>	
Net current assets			961,559		774,814
Total assets less current liabilities			<u>1,933,667</u>		<u>1,739,550</u>
Creditors: amounts falling due after more than one year	7		(681,270)		(723,762)
Provisions for liabilities			(9,714)		(3,711)
Net assets			<u>1,242,683</u>		<u>1,012,077</u>
Capital and reserves					
Called up share capital			100		100
Profit and loss reserves			1,242,583		1,011,977
Total equity			<u>1,242,683</u>		<u>1,012,077</u>

The director of the company has elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges her 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.

BROXBURN NURSING HOME LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2021

The financial statements were approved and signed by the director and authorised for issue on 29 October 2021

J Chohan
Director

Company Registration No. SC259713

BROXBURN NURSING HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Broxburn Nursing Home Limited is a private company limited by shares incorporated in Scotland. The registered office is Head Office, Wyvis House, Station Road, Dingwall, Ross-Shire, United Kingdom, IV15 9FF.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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. The principal accounting policies adopted are set out below.

1.2 Going concern

In common with most businesses the company is facing potential issues in respect of the COVID-19 pandemic. This is an ongoing situation and the company is adopting a strategy to manage the ever changing situation as effectively as possible.

The director is satisfied that these events do not affect the company's ability to continue as a going concern and this basis is appropriate for the preparation of the accounts.

The director has considered a period of at least twelve months from the date on which these financial statements have been signed and having considered all relevant information available to them, believe it appropriate to prepare the financial statements on a going concern basis.

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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the provision of services is recognised in the period in which the services are provided.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

BROXBURN NURSING HOME LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021**

1 Accounting policies**(Continued)****1.5 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:

Freehold property	2% on cost
Fixtures and fittings	20% on reducing balance
Motor vehicles	33.33% on cost

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.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

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.

1.7 Cash and cash equivalents

Cash and cash equivalents 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.

BROXBURN NURSING HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.8 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 statement of financial position 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.

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.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Dividends payable on equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

1.10 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 income statement 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.

BROXBURN NURSING HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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 income statement, 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.

1.11 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.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

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.

1.12 Retirement benefits

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.14 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.

BROXBURN NURSING HOME LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	50	51

3 Intangible fixed assets

Goodwill
£

Cost

At 1 April 2020 and 31 March 2021

378,199

Amortisation and impairment

At 1 April 2020 and 31 March 2021

378,199

Carrying amount

At 31 March 2021

-

At 31 March 2020

-

4 Tangible fixed assets

	Freehold property £	Assets under construction £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 April 2020	1,093,082	2,854	111,798	-	1,207,734
Additions	-	-	-	33,600	33,600
At 31 March 2021	1,093,082	2,854	111,798	33,600	1,241,334
Depreciation and impairment					
At 1 April 2020	153,032	-	89,966	-	242,998
Depreciation charged in the year	21,862	-	4,366	-	26,228
At 31 March 2021	174,894	-	94,332	-	269,226
Carrying amount					
At 31 March 2021	918,188	2,854	17,466	33,600	972,108
At 31 March 2020	940,050	2,854	21,832	-	964,736

BROXBURN NURSING HOME LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021**

5 Debtors	2021	2020
Amounts falling due within one year:	£	£
Trade debtors	65,993	96,584
Amounts owed by group undertakings	243,770	243,770
Other debtors	471,740	281,263
Prepayments and accrued income	49,542	13,976
	<u>831,045</u>	<u>635,593</u>
	<u><u>831,045</u></u>	<u><u>635,593</u></u>
6 Creditors: amounts falling due within one year	2021	2020
	£	£
Bank loans	64,500	58,000
Obligations under finance leases	5,126	-
Trade creditors	30,021	20,271
Corporation tax	81,719	61,691
Other taxation and social security	16,293	14,434
Other creditors	28,349	22,692
Accruals and deferred income	164,909	158,070
	<u>390,917</u>	<u>335,158</u>
	<u><u>390,917</u></u>	<u><u>335,158</u></u>
7 Creditors: amounts falling due after more than one year	2021	2020
	£	£
Bank loans and overdrafts	652,796	723,762
Obligations under finance leases	28,474	-
	<u>681,270</u>	<u>723,762</u>
	<u><u>681,270</u></u>	<u><u>723,762</u></u>

Details of security provided:

The Royal Bank of Scotland holds a standard security over Broxburn Nursing Home and a bond and floating charge over the assets of the company.

BROXBURN NURSING HOME LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****8 Deferred taxation**

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities	Liabilities
	2021	2020
	£	£
Balances:		
Accelerated capital allowances	9,703	3,711
Retirement benefit obligations	11	-
	<u>9,714</u>	<u>3,711</u>
	<u><u>9,714</u></u>	<u><u>3,711</u></u>
Movements in the year:		2021
		£
Liability at 1 April 2020		3,711
Charge to profit or loss		6,003
		<u>9,714</u>
Liability at 31 March 2021		<u><u>9,714</u></u>

9 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2021	2020
£	£
1,523	1,523
<u><u>1,523</u></u>	<u><u>1,523</u></u>

10 Related party transactions**Company Director**

During the year the director advanced funds to and paid expenses on behalf of the company totalling £56,562 (2020 - £51,062).

During the year the company advanced funds to and paid expenses on behalf of the director totalling £56,929 (2020 - £51,057).

At the year end the company owed the director £88 (2020 - £455) which is included in other creditors.

Loans with the director are repayable on demand with no interest charged.

