 REGISTERED NUMBER: 03284493 (England and Wales)

GROUP STRATEGIC REPORT,

REPORT OF THE DIRECTORS AND

AUDITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

FOR

BROWNLOW ENTERPRISES LIMITED

Michael Filiou Plc
Chartered Certified Accountants
and Statutory Auditors
Salisbury House
81 High Street
Potters Bar
Hertfordshire
EN6 5AS

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BROWNLOW ENTERPRISES LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2018

DIRECTORS:	Mr W Heneghan Mr Damien M Heneghan Mr L J Heneghan Mrs M A Heneghan Mr David B Heneghan
REGISTERED OFFICE:	c/o Michael Filiou Plc Salisbury House 81 High Street Potters Bar Hertfordshire EN6 5AS
REGISTERED NUMBER:	03284493 (England and Wales)
SENIOR STATUTORY AUDITOR:	Mr Michael Filiou BSc. FCCA
AUDITORS:	Michael Filiou Plc Chartered Certified Accountants and Statutory Auditors Salisbury House 81 High Street Potters Bar Hertfordshire EN6 5AS

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2018

The Company, together with it's wholly-owned subsidiaries Circa Care Limited, Conhen Limited and Ventry Properties Limited form the Brownlow Enterprises Group.

The directors present their strategic report of the group for the period 1 July 2017 to to 30 June 2018.

ACTIVITIES
The principal activity of the group in the period under review was that of property investment, property development and operation of residential care homes for elderly persons and elderly persons with dementia.

The operating activities of the group were conducted from care homes located in London and from let properties located in London and Manchester.

REVIEW OF BUSINESS
The results for the period and financial position of the group are as shown in the financial statements.

During this period, we have consolidated on a strong presence in the social care market having developed a well-defined quality service provision across North London. Our passionate and committed staffs have played a key role in achieving a high standard of care for our service users. We have further consolidated our property rental position with a marked increase in monthly rental fee achieved.

FUTURE DEVELOPMENTS
Our strategy in the coming year is to continue to consolidate our existing operations while putting in place plans for growth to increase our presence in the social care market in the London area, whilst developing an effective operational platform which we are confident will support our strategy.

With our high quality provision and with a number of further growth opportunities, we are in a favourable position to support local authorities and service users with a quality and cost effective service provision,

Local authorities continue to demand high quality services at competitive fee rates and we believe that the progress made by the group during the period to establish and maintain an efficient and effective cost base places us in a favourable market provision.

Whilst local authorities are under pressure to reduce public spending, the vulnerability of the people we support together with the strong demographic drivers of our market continues to provide a highly sustainable and growing market for our services.

We continue to invest in our freehold properties to help attract placements and to support the changing needs of our service users and their placing authorities.

We are looking forward with confidence to the coming year.

PRINCIPAL RISKS AND UNCERTAINTIES

The activities of the group are primarily in the heavily regulated social care industry. Supporting vulnerable adults is an inherently risky activity. The group works to identify, mitigate and manage our operational risks. We have identified the following risks as having significant potential impact on our reputation, operations and financial performance:

- Inconsistencies in the provision of high quality care;
- Compliance with a dynamic regulatory environment;
- Compliance with legislation or duties of care;
- Retaining and managing our people effectively;
- Major changes in government policy or legislation that impact on current market opportunities or our operating performance;
- Managing our profit margins and banking covenants if movements in operating costs are detrimental relative to changes in fee rates.
- Maintaining occupancy levels;
- Outbreak of pandemic illness that severely affects our staffing or occupancy levels;
- Future funding.

We have a strong focus on the quality of our services that we provide with our reporting and management structure being complemented by a comprehensive internal quality audit function. All of our services are regulated by the Care Quality Commission with 100% of our services being rated good or excellent.

We have across the group a well defined management structure with clear lines of delegation coupled with a culture of open communication with both internal and external stakeholders. Our managers have a clear focus on quality care, selective recruitment and staff development.

Insurance policies are maintained and the adequacy of these are reviewed at regular intervals.

The group has a robust financial control environment. Controls are in place ensuring the production of accurate and timely management information.

With a substantial portfolio of freehold investment properties, an established income stream across a number of sectors, a good reputation with local authority commissioning teams and access to growth capital through existing banking relationships, the group is in a strong position to continue as a leading provider of quality care service in a fragmented, large and growing market.

ON BEHALF OF THE BOARD:

Mr David B Heneghan - Director

15 March 2019

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2018

The directors present their report with the financial statements of the company and the group for the year ended 30 June 2018.

DIVIDENDS
The total distribution of dividends for the year ended 30 June 2018 will be £515,991.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 July 2017 to the date of this report.

Mr W Heneghan
Mr Damien M Heneghan
Mr L J Heneghan
Mrs M A Heneghan
Mr David B Heneghan

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS
The auditors, Michael Filiou Plc, will be proposed for reappointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mr David B Heneghan - Director

15 March 2019

Opinion
We have audited the financial statements of Brownlow Enterprises Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2018 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the group's and of the parent company affairs as at 30 June 2018 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report
This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Michael Filiou BSc. FCCA (Senior Statutory Auditor)
for and on behalf of Michael Filiou Plc
Chartered Certified Accountants
and Statutory Auditors
Salisbury House
81 High Street
Potters Bar
Hertfordshire
EN6 5AS

15 March 2019

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 £	2017 £
TURNOVER	4	**4,949,111**	4,248,685
Cost of sales		**2,761,094**	2,565,287
GROSS PROFIT		**2,188,017**	1,683,398
Administrative expenses		**537,067**	985,514
		1,650,950	697,884
Other operating income		**-**	9,500
Gain/loss on revaluation of investment property		**338,832**	-
OPERATING PROFIT	6	**1,989,782**	707,384
Interest receivable and similar income		**13,883**	14,017
		2,003,665	721,401
Interest payable and similar expenses	7	**103,081**	102,851
PROFIT BEFORE TAXATION		**1,900,584**	618,550
Tax on profit	8	**380,930**	139,426
PROFIT FOR THE FINANCIAL YEAR		**1,519,654**	479,124
Profit attributable to:			
Owners of the parent		**1,519,654**	479,124

The notes form part of these financial statements

CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 £	2017 £
PROFIT FOR THE YEAR		**1,519,654**	479,124
OTHER COMPREHENSIVE INCOME			
Deferred tax on gain on revaluation		-	36,426
Realised loss on revaluation		**45,678**	-
Income tax relating to components of other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		**45,678**	36,426
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**1,565,332**	515,550
Total comprehensive income attributable to:			
Owners of the parent		**1,565,332**	515,550

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 JUNE 2018

	Notes	2018 £	2018 £	2017 £	2017 £
FIXED ASSETS					
Tangible assets	11		**16,114,209**		15,484,821
Investments	12		**-**		-
Investment property	13		**1,393,351**		1,762,888
			17,507,560		17,247,709
CURRENT ASSETS					
Debtors	14	**260,267**		519,367	
Cash at bank and in hand		**3,106,869**		2,105,784	
		3,367,136		2,625,151	
CREDITORS					
Amounts falling due within one year	15	**675,464**		520,431	
NET CURRENT ASSETS			**2,691,672**		2,104,720
TOTAL ASSETS LESS CURRENT LIABILITIES			**20,199,232**		19,352,429
CREDITORS					
Amounts falling due after more than one year	16		**(4,377,760)**		(4,697,498)
PROVISIONS FOR LIABILITIES	20		**(142,753)**		(25,554)
NET ASSETS			**15,678,719**		14,629,377
CAPITAL AND RESERVES					
Called up share capital	21		**1,422,761**		1,422,761
Share premium	22		**988,124**		988,124
Fair value reserve	22		**3,554,266**		3,289,572
Retained earnings	22		**9,713,568**		8,928,920
SHAREHOLDERS' FUNDS			**15,678,719**		14,629,377

The financial statements were approved by the Board of Directors on 15 March 2019 and were signed on its behalf by:

Mr David B Heneghan - Director

The notes form part of these financial statements

COMPANY STATEMENT OF FINANCIAL POSITION
30 JUNE 2018

	Notes	2018 £	2018 £	2017 £	2017 £
FIXED ASSETS					
Tangible assets	11		**16,115,522**		15,485,571
Investments	12		**8,720**		7,606
Investment property	13		**1,393,351**		1,762,888
			17,517,593		17,256,065
CURRENT ASSETS					
Debtors	14	**209,377**		687,387	
Cash at bank and in hand		**2,914,821**		2,022,972	
		3,124,198		2,710,359	
CREDITORS					
Amounts falling due within one year	15	**625,891**		518,745	
NET CURRENT ASSETS			**2,498,307**		2,191,614
TOTAL ASSETS LESS CURRENT LIABILITIES			**20,015,900**		19,447,679
CREDITORS					
Amounts falling due after more than one year	16		**(4,377,760)**		(4,697,498)
PROVISIONS FOR LIABILITIES	20		**(142,432)**		(25,127)
NET ASSETS			**15,495,708**		14,725,054
CAPITAL AND RESERVES					
Called up share capital	21		**1,422,761**		1,422,761
Share premium	22		**988,124**		988,124
Fair value reserve	22		**1,198,432**		933,739
Retained earnings	22		**11,886,391**		11,380,430
SHAREHOLDERS' FUNDS			**15,495,708**		14,725,054
Company's profit for the financial year			**1,240,968**		575,800

The financial statements were approved by the Board of Directors on 15 March 2019 and were signed on its behalf by:

Mr David B Heneghan - Director

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 July 2016	1,422,761	8,672,888	988,124
Changes in equity			
Dividends	-	(52,992)	-
Total comprehensive income	-	309,024	-
Balance at 30 June 2017	1,422,761	8,928,920	988,124
Changes in equity			
Dividends	-	(515,991)	-
Total comprehensive income	-	1,300,638	-
Balance at 30 June 2018	1,422,761	9,713,567	988,124

	Revaluation reserve £	Fair value reserve £	Total equity £
Balance at 1 July 2016	3,083,046	-	14,166,819
Changes in equity			
Dividends	-	-	(52,992)
Total comprehensive income	(3,083,046)	3,289,572	515,550
Balance at 30 June 2017	-	3,289,572	14,629,377
Changes in equity			
Dividends	-	-	(515,991)
Total comprehensive income	-	264,694	1,565,332
Balance at 30 June 2018	-	3,554,266	15,678,718

The notes form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 July 2016	1,422,761	11,027,722	988,124
Changes in equity			
Dividends	-	(52,992)	-
Total comprehensive income	-	405,700	-
Balance at 30 June 2017	1,422,761	11,380,430	988,124
Changes in equity			
Dividends	-	(515,991)	-
Total comprehensive income	-	1,021,952	-
Balance at 30 June 2018	1,422,761	11,886,391	988,124

	Revaluation reserve £	Fair value reserve £	Total equity £
Balance at 1 July 2016	727,213	-	14,165,820
Changes in equity			
Dividends	-	-	(52,992)
Total comprehensive income	(727,213)	933,739	612,226
Balance at 30 June 2017	-	933,739	14,725,054
Changes in equity			
Dividends	-	-	(515,991)
Total comprehensive income	-	264,693	1,286,645
Balance at 30 June 2018	-	1,198,432	15,495,708

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 £	2017 £
Cash flows from operating activities			
Cash generated from operations	1	**1,453,296**	914,690
Interest paid		**(102,552)**	(102,216)
Interest element of hire purchase payments paid		**(529)**	(635)
Tax paid		**(18,841)**	(177,878)
Net cash from operating activities		**1,331,374**	633,961
Cash flows from investing activities			
Purchase of intangible fixed assets		**-**	(121,591)
Purchase of tangible fixed assets		**(653,324)**	(296,188)
Purchase of investment property		**-**	(78,550)
Sale of tangible fixed assets		**-**	2,500
Sale of investment property		**899,423**	-
Interest received		**13,883**	14,017
Net cash from investing activities		**259,982**	(479,812)
Cash flows from financing activities			
Loan repayments in period		**(316,560)**	(316,943)
Capital element of hire purchase paid		**(4,235)**	(5,081)
Amount repaid/(withdrawn) by directors		**246,515**	(276,234)
Equity dividends paid		**(515,991)**	(388,992)
Net cash from financing activities		**(590,271)**	(987,250)
Increase/(decrease) in cash and cash equivalents		**1,001,085**	(833,101)
Cash and cash equivalents at beginning of year	2	**2,105,784**	2,938,885
Cash and cash equivalents at end of year	2	**3,106,869**	2,105,784

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2018	2017
	£	£
Profit before taxation	1,900,584	618,550
Depreciation charges	23,935	152,320
Profit on disposal of fixed assets	(145,375)	(489)
Gain on revaluation of fixed assets	(338,832)	-
Finance costs	103,081	102,851
Finance income	(13,883)	(14,017)
	1,529,510	859,215
(Increase)/decrease in trade and other debtors	(84,566)	7,425
Increase in trade and other creditors	8,352	48,050
Cash generated from operations	1,453,296	914,690

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 30 June 2018

	30.6.18	1.7.17
	£	£
Cash and cash equivalents	3,106,869	2,105,784

Year ended 30 June 2017

	30.6.17	1.7.16
	£	£
Cash and cash equivalents	2,105,784	2,953,922
Bank overdrafts	-	(15,037)
	2,105,784	2,938,885

1. STATUTORY INFORMATION

Brownlow Enterprises Limited is a private company, limited by shares, registered in England and Wales. The company's registered number is 03284493 and registered office address is c/o Michael Filiou Plc, Salisbury House, 81 High Street, Hertfordshire EN6 5AS.

2. STATEMENT OF COMPLIANCE

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

3. ACCOUNTING POLICIES

Basis of preparing the financial statements
The group financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies.

The group financial statements are presented in Sterling (£) which is the functional currency of the group.

Basis of consolidation
The consolidated financial statements present the results of the parent company Brownlow Enterprises Limited (the company) and its subsidiaries (the group) drawn up for the year ended 30 June 2018. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the statement of financial position, the acquired identifiable assets and liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases. Control is achieved where the group has the power to govern financial and operating policies of an entity so as to obtain benefits from its activities.

Goodwill (positive or negative) acquired on a business combination, being the difference between the fair value of the assets acquired and the fair value of the consideration, is capitalised and classified within assets on the statement of financial posiiton, an amortised on a straight line basis over the useful life of the goodwill. Where there are indicators of impairment of this goodwill, an impairment review is carried out based on fair values. Any difference between the net book value of the goodwill and its fair value is written off to the consolidated statement of comprehensive income.

Negative goodwill is written off to the consolidated statement of comprehensive income immediately on acquisition.

Going concern
After reviewing the group's forecast and projections, the directors have reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Investment in subsidiaries
Investments in subsidiaries are measured at cost less accumulated impairment.

continued...

3. **ACCOUNTING POLICIES - continued**

Significant judgements and estimates
In the application of the group accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised where the revision affects only that period or in the period of the revision and future periods where the revision affects both current and future periods.

Turnover
Turnover represents the amounts due in exchange for services rendered and is recognised as earned when, and to the extent that, the group obtains the right to consideration in exchange for their performance. It is derived from the principal activities of the group that are exempt for Value Added Tax purposed.

Revenue reflects the accrual of the right to consideration by reference to the value of the services rendered. Turnover not billed is included in debtors and amounts received on account in excess of the relevant amount of revenue are included in creditors.

Rental income from operating leases is recognised on a straight line basis over the term of the lease.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- not provided
Equipment	- 25% straight line
Fixtures & fittings	- 25% straight line and 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% straight line and 25% on reducing balance

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Impairment of assets
The group assesses at each reporting date whether an asset may be impaired. If any such indication exists the group estimates the recoverable amount of the assets. If it is not possible to estimate the recoverable amount of the individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount is less than its carrying amount, the carrying amount of the asset is impaired and it is reduced to its recoverable amount through an impairment in profit and loss unless the asset is carried at a revalued amount where the impairment loss of a revalued asset is a revaluation decrease.

An impairment loss recognised for all assets, in goodwill, is reversed in a subsequent period only if the reasons for the impairment have ceased to apply.

continued...

3. **ACCOUNTING POLICIES - continued**

Investment property
Freehold and long leasehold properties are held for long-term investments. Investment properties are initially recognised at cost which includes purchase cost and any directly attributable expenditure. Investment properties whose fair value can be measured reliably are carried at fair value. The surplus or deficit is recognised in the income statement accumulated in the non-distributable reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the income statement for the period. The group engages independent valuers to assist the directors in determining fair value. Deferred taxation is provided on these gains at the rate expected to apply when the property is sold.

As policy depreciation is not provided on investment property.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Taxation
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments
Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs
The group contributes to individual employees' personal pension plans. Contributions payable are charged to the income statement in the period to which they relate to. The assets of the plan are held separately from those of the group in independently administered funds.

continued...

3. ACCOUNTING POLICIES - continued

Financial instruments

The group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties.

Basic financial assets, which include trade and other receivables 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 constitute 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, other than those held at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset id impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective rate. The impairment loss is recognised in profit or loss.

If there is a decrease in impairment loss arising from the event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised only when the contractual rights to cash flow from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, of if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated thrid party.

Finanicial laibilities 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 group after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables and bank loans, 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 receipts discounted at a market rate of interest.

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

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

continued...

3. ACCOUNTING POLICIES - continued

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 asset.

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.

4. TURNOVER

The turnover and profit before taxation are attributable to the principal activities of the group.

An analysis of turnover by class of business is given below:

	2018	2017
	£	£
Care related services	4,893,477	4,165,310
Rent	55,634	83,375
	4,949,111	4,248,685

5. EMPLOYEES AND DIRECTORS

	2018	2017
	£	£
Wages and salaries	2,334,185	2,164,905
Social security costs	170,156	141,046
Other pension costs	14,385	9,103
	2,518,726	2,315,054

The average number of employees during the year was as follows:

	2018	2017
Directors	5	5
Administration and accounts staffs	6	6
Care home managers	7	7
Care home staffs	111	111
	129	129

The average number of employees by undertakings that were proportionately consolidated during the year was 129 (2017 - 129).

The only members of key management are the directors.

continued...

5. EMPLOYEES AND DIRECTORS - continued

	2018	2017
	£	£
Directors' remuneration	**199,727**	199,727

6. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation - owned assets	**23,936**	27,826
Depreciation - assets on hire purchase contracts	**-**	2,902
Profit on disposal of fixed assets	**(145,375)**	(489)
Goodwill on consolidation amortisation	**-**	121,591
Auditors' remuneration	**26,520**	22,000

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2018	2017
	£	£
Bank loan interest	**102,552**	102,169
Interest on tax	**-**	47
Hire purchase interest	**529**	635
	103,081	102,851

8. TAXATION

Analysis of the tax charge
The tax charge on the profit for the year was as follows:

	2018	2017
	£	£
Current tax:		
UK corporation tax	**263,731**	137,403
Deferred tax	**117,199**	2,023
Tax on profit	**380,930**	139,426

continued...

8. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2018	2017
	£	£
Profit before tax	1,900,584	618,550
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19%)	361,111	117,525
Effects of:		
Expenses not deductible for tax purposes	195	205
Capital allowances in excess of depreciation	-	(3,813)
Depreciation in excess of capital allowances	2,619	-
Utilisation of tax losses	(16,389)	(4,745)
Profit on disposal of fixed assets	(27,621)	(93)
Capital gains	8,194	-
Deferred tax adjustments	117,199	2,023
Fair value gain not taxable	(64,378)	-
Difference in tax rate	-	5,222
Amortisation on goodwill on consolidation	-	23,102
Total tax charge	380,930	139,426

Tax effects relating to effects of other comprehensive income

		2018	
	Gross	Tax	Net
	£	£	£
Deferred tax on gain on revaluation			
Realised loss on revaluation	45,678	-	45,678
	45,678	-	45,678

		2017	
	Gross	Tax	Net
	£	£	£
Deferred tax on gain on revaluation	36,426	-	36,426

9. **INDIVIDUAL INCOME STATEMENT**

The company has taken advantage of the exemption permitted under Section 408 of the Companies Act 2006 and has not presented as part of these financial statements its own statement of comprehensive income.

The profit after tax of the company was £1,240,968 (2017: £575,800).

continued...

10. DIVIDENDS

	2018 £	2017 £
Ordinary 'C' shares of £1 each		
Final	**196,000**	35,000
Ordinary 'D' shares of £1 each		
Final	**129,991**	15,992
Ordinary 'E' shares of £1 each		
Final	**95,000**	1,000
Ordinary 'F' shares of £1 each		
Final	**95,000**	1,000
	515,991	52,992

11. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Equipment £	Fixtures & fittings £
COST OR VALUATION			
At 1 July 2017	**15,422,618**	**44,561**	**319,074**
Additions	**653,324**	**-**	**-**
At 30 June 2018	**16,075,942**	**44,561**	**319,074**
DEPRECIATION			
At 1 July 2017	**-**	**38,711**	**303,614**
Charge for year	**-**	**1,950**	**10,257**
At 30 June 2018	**-**	**40,661**	**313,871**
NET BOOK VALUE			
At 30 June 2018	**16,075,942**	**3,900**	**5,203**
At 30 June 2017	15,422,618	5,850	15,460

continued...

11. TANGIBLE FIXED ASSETS - continued

Group

	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION			
At 1 July 2017	60,453	15,914	15,862,620
Additions	-	-	653,324
At 30 June 2018	60,453	15,914	16,515,944
DEPRECIATION			
At 1 July 2017	26,429	9,045	377,799
Charge for year	8,507	3,222	23,936
At 30 June 2018	34,936	12,267	401,735
NET BOOK VALUE			
At 30 June 2018	25,517	3,647	16,114,209
At 30 June 2017	34,024	6,869	15,484,821

Cost or valuation at 30 June 2018 is represented by:

	Freehold property £	Equipment £	Fixtures & fittings £
Valuation in 2001	324,536	-	-
Valuation in 2002	50,000	-	-
Valuation in 2003	60,000	-	-
Valuation in 2006	65,489	-	-
Valuation in 2007	16,462	-	-
Valuation in 2008	54,229	-	-
Valuation in 2011	405,000	-	-
Valuation in 2012	3,739,694	-	-
Valuation in 2013	1,875,000	-	-
Valuation in 2016	(3,448,860)	-	-
Cost	12,934,392	44,561	319,074
	16,075,942	44,561	319,074

continued...

11. **TANGIBLE FIXED ASSETS - continued**

Group

	Motor vehicles £	Computer equipment £	Totals £
Valuation in 2001	-	-	324,536
Valuation in 2002	-	-	50,000
Valuation in 2003	-	-	60,000
Valuation in 2006	-	-	65,489
Valuation in 2007	-	-	16,462
Valuation in 2008	-	-	54,229
Valuation in 2011	-	-	405,000
Valuation in 2012	-	-	3,739,694
Valuation in 2013	-	-	1,875,000
Valuation in 2016	-	-	(3,448,860)
Cost	60,453	15,914	13,374,394
	60,453	15,914	16,515,944

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST OR VALUATION	
At 1 July 2017	18,574
Reclassification	(18,574)
At 30 June 2018	-
DEPRECIATION	
At 1 July 2017	9,868
Reclassification/transfer	(9,868)
At 30 June 2018	-
NET BOOK VALUE	
At 30 June 2018	-
At 30 June 2017	8,706

continued...

11. TANGIBLE FIXED ASSETS - continued

Company

	Freehold property £	Equipment £	Fixtures & fittings £
COST OR VALUATION			
At 1 July 2017	15,422,618	44,561	384,683
Additions	653,324	-	-
At 30 June 2018	16,075,942	44,561	384,683
DEPRECIATION			
At 1 July 2017	-	38,711	368,616
Charge for year	-	1,950	9,801
At 30 June 2018	-	40,661	378,417
NET BOOK VALUE			
At 30 June 2018	16,075,942	3,900	6,266
At 30 June 2017	15,422,618	5,850	16,067

	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION			
At 1 July 2017	60,453	15,914	15,928,229
Additions	-	-	653,324
At 30 June 2018	60,453	15,914	16,581,553
DEPRECIATION			
At 1 July 2017	26,429	8,902	442,658
Charge for year	8,507	3,115	23,373
At 30 June 2018	34,936	12,017	466,031
NET BOOK VALUE			
At 30 June 2018	25,517	3,897	16,115,522
At 30 June 2017	34,024	7,012	15,485,571

continued...

11. TANGIBLE FIXED ASSETS - continued

Company

Cost or valuation at 30 June 2018 is represented by:

	Freehold property £	Equipment £	Fixtures & fittings £
Valuation in 2001	324,536	-	-
Valuation in 2002	50,000	-	-
Valuation in 2003	60,000	-	-
Valuation in 2006	65,489	-	-
Valuation in 2007	16,462	-	-
Valuation in 2008	54,229	-	-
Valuation in 2011	405,000	-	-
Valuation in 2012	3,739,694	-	-
Valuation in 2013	1,875,000	-	-
Valuation in 2016	(3,448,860)	-	-
Cost	12,934,392	44,561	384,683
	16,075,942	44,561	384,683

	Motor vehicles £	Computer equipment £	Totals £
Valuation in 2001	-	-	324,536
Valuation in 2002	-	-	50,000
Valuation in 2003	-	-	60,000
Valuation in 2006	-	-	65,489
Valuation in 2007	-	-	16,462
Valuation in 2008	-	-	54,229
Valuation in 2011	-	-	405,000
Valuation in 2012	-	-	3,739,694
Valuation in 2013	-	-	1,875,000
Valuation in 2016	-	-	(3,448,860)
Cost	60,453	15,914	13,440,003
	60,453	15,914	16,581,553

continued...

11. TANGIBLE FIXED ASSETS - continued

Company

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST OR VALUATION	
At 1 July 2017	18,574
Reclassification	(18,574)
At 30 June 2018	-
DEPRECIATION	
At 1 July 2017	9,868
Reclassification/transfer	(9,868)
At 30 June 2018	-
NET BOOK VALUE	
At 30 June 2018	-
At 30 June 2017	8,706

12. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 July 2017	7,606
Impairments	(4,419)
Reversal of impairments	5,533
At 30 June 2018	8,720
NET BOOK VALUE	
At 30 June 2018	8,720
At 30 June 2017	7,606

continued...

12. **FIXED ASSET INVESTMENTS - continued**

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

Dormant subsidiaries
Registered office: C/O Michael Filiou Plc, Salisbury House, 81 High Street, Potters Bar, Hertfordshire EN6 5AS
Nature of business: Dormant

Class of shares:	% holding
Ordinary	100.00

	2018 £	2017 £
Aggregate capital and reserves	**104**	104

Brownlow Enterprises Limited holds 100% of the issued share capital in these dormant companies:

	2018 £	2017 £
Ventry Care Limited (Registered number 06910825)	1	1
Ventry Care Homes Limited (Registered number 06910788)	1	1
Ventry Residential Care Homes Limited (Registered number 06910824)	1	1
Ventry Domiciliary Care Limited (Registered number 06910813)	1	1
Ventry Residential Care Limited (Registered number 08410906)	100	100
Ventry Court Management Company Limited (Registered number 08996549. A private company limited by £1 guarantee)	-	-
Dingle Court (Chorlton) Management Company Limited (Registered number 09355604. A private company limited by £1 guarantee)	-	-
	104	104

All companies are incorporated in England and Wales.

Conhen Limited
Registered office: C/O Michael Filiou Plc, Salisbury House, 81 High Street, Potters Bar, Hertfordshire EN6 5AS
Nature of business: Property investment and development

Class of shares:	% holding
Ordinary	100.00

	2018 £	2017 £
Aggregate capital and reserves	**983**	983
Loss for the year	-	(117)

The company was incorporated in England and Wales. The company registered number is 03301128.

The company has not traded during the year.

continued...

12. FIXED ASSET INVESTMENTS - continued

Ventry Properties Limited
Registered office: C/O Michael Filiou Plc, Salisbury House, 81 High Street, Potters Bar, Hertfordshire EN6 5AS
Nature of business: Property investment

Class of shares:	% holding
Ordinary	100.00

	2018	2017
	£	£
Aggregate capital and reserves	**6,633**	6,633
Profit for the year	**-**	1,231

The company was incorporated in England and Wales. The company registered number is 04719836.

The company has not traded during the year.

Circa Care Limited
Registered office: C/O Michael Filiou Plc, Salisbury House, 81 High Street, Potters Bar, Hertfordshire EN6 5AS
Nature of business: Provision of care home services

Class of shares:	% holding
Ordinary	100.00

	2018	2017
	£	£
Aggregate capital and reserves	**183,011**	(96,790)
Profit for the year	**279,801**	23,801

The company was incorporated in England and Wales. The company registered number is 05957400.

All subsidiaries have been included in the consolidation.

13. INVESTMENT PROPERTY

Group

	Total
	£
FAIR VALUE	
At 1 July 2017	**1,762,888**
Disposals	**(708,369)**
Revaluations	**338,832**
At 30 June 2018	**1,393,351**
NET BOOK VALUE	
At 30 June 2018	**1,393,351**
At 30 June 2017	1,762,888

continued...

13. INVESTMENT PROPERTY - continued

Group

Fair value at 30 June 2018 is represented by:

	£
Valuation in 2001	125,772
Valuation in 2002	45,000
Valuation in 2003	90,000
Valuation in 2008	(30,000)
Valuation in 2012	75,000
Valuation in 2013	35,000
Valuation in 2016	62,500
Valuation in 2018	338,832
Cost	651,247
	1,393,351

Company

	Total £
FAIR VALUE	
At 1 July 2017	1,762,888
Disposals	(708,369)
Revaluations	338,832
At 30 June 2018	1,393,351
NET BOOK VALUE	
At 30 June 2018	1,393,351
At 30 June 2017	1,762,888

Fair value at 30 June 2018 is represented by:

	£
Valuation in 2001	125,772
Valuation in 2002	45,000
Valuation in 2003	90,000
Valuation in 2008	(30,000)
Valuation in 2012	75,000
Valuation in 2013	35,000
Valuation in 2016	62,500
Valuation in 2018	338,832
Cost	651,247
	1,393,351

continued...

13. INVESTMENT PROPERTY - continued

Company

Freehold and long leasehold properties included as investment properties are stated at fair value with changes in fair value being recognised in the income statement. Depreciation is not provided in respect of such properties in accordance to FRS 102 Chapter 16 Investment Property. Residential investment properties have been included at a directors' valuation of £1,393,351 (2017 - £1,762,888), having taken professional advice. Fair value is determined by considering comparable market data such as rental yields, location, condition and nature of the property. These residential properties were formally valued on an open market basis by Addison Townsend Estates Agents in November 2018 and March 2019. The valuation surplus of £338,832 (2017 - £nil) has been taken to fair value reserve. The historical cost of the investment properties held at valuation in land and buildings is £651,247 (2017 - £1,405,295). The directors are of the opinion that this valuation remains appropriate as at the reporting end date.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018	2017	**2018**	2017
	£	£	**£**	£
Trade debtors	**234,037**	155,649	**170,154**	155,649
Amounts owed by group undertakings	-	-	**26,092**	68,268
Other debtors	**19,388**	9,674	**6,764**	7,404
Director's current accounts	-	243,398	-	363,989
Corporation tax	-	100,268	-	83,454
Prepayments	**6,842**	10,378	**6,367**	8,623
	260,267	519,367	**209,377**	687,387

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018	2017	**2018**	2017
	£	£	**£**	£
Bank loans and overdrafts (see note 17)	**338,737**	335,559	**338,737**	335,559
Hire purchase contracts (see note 18)	-	4,235	-	4,235
Amounts owed to group undertakings	-	-	**8,767**	7,634
Corporation tax	**144,622**	-	**97,936**	-
Social security and other taxes	**44,005**	43,234	**40,511**	41,264
Other creditors	**89,522**	90,434	**87,586**	88,717
Director's current accounts	**3,116**	-	**2,525**	-
Accrued expenses	**55,462**	46,969	**49,829**	41,336
	675,464	520,431	**625,891**	518,745

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2018	2017	**2018**	2017
	£	£	**£**	£
Bank loans (see note 17)	**4,377,760**	4,697,498	**4,377,760**	4,697,498

continued...

17. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2018	2017	**2018**	2017
	£	£	**£**	£
Amounts falling due within one year or on demand:				
Bank loans	**338,737**	335,559	**338,737**	335,559
Amounts falling due between one and two years:				
Bank loans - 1-2 years	**344,552**	341,348	**344,552**	341,348
Amounts falling due between two and five years:				
Bank loans - 2-5 years	**1,071,422**	1,059,583	**1,071,422**	1,059,583
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans - more than 5 years	**2,961,786**	3,296,567	**2,961,786**	3,296,567

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2018	2017
	£	£
Gross obligations repayable:		
Within one year	**-**	4,764
Finance charges repayable:		
Within one year	**-**	529
Net obligations repayable:		
Within one year	**-**	4,235

continued...

18. LEASING AGREEMENTS - continued

Company

	Hire purchase contracts	
	2018	2017
	£	£
Gross obligations repayable:		
Within one year	-	4,764
Finance charges repayable:		
Within one year	-	529
Net obligations repayable:		
Within one year	-	4,235

19. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2018	2017	**2018**	2017
	£	£	**£**	£
Bank loans	**4,716,497**	5,033,057	**4,716,497**	5,033,057

The bank loan is secured by first legal mortgages and debenture over the freehold properties of the company in the favour of HSBC Bank plc.

Interest is chargeable on the amounts drawn under the facilities at rate which track the Bank of England Base Rate.

20. PROVISIONS FOR LIABILITIES

	Group		Company	
	2018	2017	**2018**	2017
	£	£	**£**	£
Deferred tax				
Accelerated capital allowances	**(943)**	1,674	**(1,264)**	1,247
Deferred tax - Gains on revaluation	**76,253**	39,900	**76,253**	39,900
Deferred tax - Revaluation reserves	**67,443**	(16,020)	**67,443**	(16,020)
	142,753	25,554	**142,432**	25,127

continued...

20. PROVISIONS FOR LIABILITIES - continued

Group

	Deferred tax £
Balance at 1 July 2017	25,554
Origination and reversal of accelerated capital allowances	(2,617)
Fair value gain on investment property	119,816
Balance at 30 June 2018	142,753

Company

	Deferred tax £
Balance at 1 July 2017	25,127
Origination and reversal of accelerated capital allowances	(2,511)
Fair value gain on investment property	119,816
Balance at 30 June 2018	142,432

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018 £	2017 £
9,450	Ordinary 'A'	£1	9,450	9,450
500	Ordinary 'B'	£1	500	500
100	Ordinary 'C'	£1	100	100
50	Ordinary 'D'	£1	50	50
50	Ordinary 'E'	£1	50	50
50	Ordinary 'F'	£1	50	50
1,412,561	Redeemable deferred	£1	1,412,561	1,412,561
			1,422,761	1,422,761

continued...

22. RESERVES

Group

	Retained earnings £	Share premium £	Fair value reserve £	Totals £
At 1 July 2017	8,928,921	988,124	3,289,572	13,206,617
Profit for the year	1,519,654			1,519,654
Dividends	(515,991)			(515,991)
Revaluation	-	-	45,678	45,678
Reclassification	(219,016)	-	338,832	119,816
Deferred tax	-	-	(119,816)	(119,816)
At 30 June 2018	9,713,568	988,124	3,554,266	14,255,958

Company

	Retained earnings £	Share premium £	Fair value reserve £	Totals £
At 1 July 2017	11,380,430	988,124	933,739	13,302,293
Profit for the year	1,240,968			1,240,968
Dividends	(515,991)			(515,991)
Revaluation	-	-	45,677	45,677
Reclassification	(219,016)	-	338,832	119,816
Deferred tax	-	-	(119,816)	(119,816)
At 30 June 2018	11,886,391	988,124	1,198,432	14,072,947

23. RELATED PARTY DISCLOSURES

The parent company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

continued...

Other related parties

Loan to/from directors
At the reporting date, the group owed £3,116 (2017 - debit £243,398) to the directors. The loan is unsecured, interest-free, and is repayable on demand.

Transactions with related parties
During the year the group charged open market rent of £13,000 (2017 - £13,000) to the directors on overseas properties owned by the group.

North Road Services Limited
North Road Services Limited is a company incorporated in England and Wales in which the directors have significant influence.

Included under other creditors at the reporting date, the group owed £32,076 (2017 - £32,076) to North Road Services Limited.

24. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mr W Heneghan and Mrs M Heneghan.

Together they hold the majority shareholding in the issued ordinary share capital of the parent company.

25. SUBSIDIARY AUDIT EXEMPTION

The parent company has agreed to guarantee the liabilities of its wholly-owned subsidiary undertakings, Circa Care Limited (Registered number 05957400), Conhen Limited (Registered number 03301128) and Ventry Properties Limited (Registered number 04719836). These subsidiaries are therefore exempt from the requirements of the Companies Act 2006 relating to the audit of the individual accounts by virtue of Section 479A.