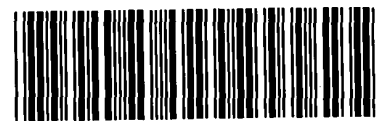


Company number: 03353584

**WESTMINSTER HOMECARE LIMITED
STRATEGIC REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

WEDNESDAY



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WESTMINSTER HOMECARE LIMITED

COMPANY INFORMATION

Directors	J M Patel S C Radia
Secretary	S M Patel
Company number	03353584
Registered office	Suite C, Synam House 423 Edgware Road London NW9 0HU
Auditors	Leftley Rowe and Company The Heights 59 – 65 Lowlands Road Harrow Middlesex HA1 3AW
Bankers	HSBC Bank Plc 584 High Road Wembley Middlesex HA0 2DB

WESTMINSTER HOMECARE LIMITED

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WESTMINSTER HOMECARE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The principal activity of the Company is provision of domiciliary care services in England to people over the age of sixty-five, as well as young adults with a broad range of needs including physical and sensory impairment, learning disabilities and a range of complex health needs.

Business review

During the year the Company has successfully increased revenue through a mixture of Local Authority tender renewals and organic growth. Total revenues for 2016 were £40.3m compared to £35.6m in 2015. However the pressure on operating margins has continued to be severe due to increasing wage costs and operational overheads.

We welcome the introduction of the National Living Wage. However the underlying increase, coupled with maintenance of pay differentials with other sectors together with the add-on costs, has not been fully met by the Local Authorities, our principal funders. The underfunding and in all cases delayed increases in the fee rates has led to significant margin pressures, which have continued into 2017.

The Company is exposed to risk related to non-renewal of major contracts and loss of key operational staff. We have a good contract renewal record. However in order to mitigate any loss we maintain a pipeline of new tender applications with good success rate. The Company has a good retention rate amongst its key operational staff.

The directors consider turnover and earnings before interest, tax, depreciation and amortisation (EBITDA) to be the main key financial performance indicators for the business. Turnover for the year was £40,258,108 an increase of 13% from £35,645,219 in 2015. EBITDA for 2016 was £1,154,954.

The directors and all the employees continually strive to maintain the highest standards of quality which they consider an integral part of the group's service.

The results for the year are set out in full in the consolidated statement of income and retained earnings.

Financial risk management and objectives

The group's financial instruments comprise predominantly cash, trade debtors, loans and various other debtors and creditors that arise directly from its operations.

The group has available a shareholder loan facility to assist with working capital requirements where necessary. The directors therefore do not consider financial risks to be significant.

Employment policy

The directors believe that it is important to recruit and retain capable and caring staff regardless of their sex, marital status, race or religion. It is the group's policy to give full and fair consideration to applications for employment from people who are disabled and to arrange appropriate training for employees who become disabled and to provide equal opportunities for the career development, training and promotion of disabled employees.

WESTMINSTER HOMECARE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors also recognise that the continued position of the group in the health and social care industry depends on the quality and motivation of its employees and as such the group is committed to pursue employment policies which will continue to attract, retain and motivate its employees.

Good and effective employee communications are particularly important, and throughout the business it is the directors' policy to promote the understanding by all employees of the group's business aims and performance. This is achieved through a variety of communication approaches for each branch.

The directors take this opportunity to recognise the invaluable contribution made by our carers and management staff in providing and maintaining a very high quality of service throughout the year.

This report was approved by the Board on 18 September 2017 and signed on its behalf by



J.M. Patel
Director

WESTMINSTER HOMECARE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report together with the audited financial statements of the company and the group for the year ended 31 December 2016.

Results and dividends

The loss for the year, after taxation, is shown in the consolidated statement of income and retained earnings on page 7. There were dividends paid of £2,000,000 during the year.

Directors

The directors who served during the year are as stated below:

J M Patèl
S C Radia

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report 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). 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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 group's transactions and disclose with reasonable accuracy at any time the financial position of 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WESTMINSTER HOMECARE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Strategic Report

The information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 has been disclosed in the Strategic Report.

Disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- So far as they are aware, there is no relevant audit information of which the company's auditors are unaware, and
- They have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

The auditors are deemed to have been reappointed in accordance with Section 487 of the Companies Act 2006.

This report was approved by the board of directors on 18 September 2017 and signed on behalf of the board by:



J M Patel
Director

WESTMINSTER HOMECARE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF WESTMINSTER HOMECARE LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2016

We have audited the financial statements of Westminster Homecare Limited for the year ended 31 December 2016, which comprise the group statement of income and retained earnings, the group and parent company statement of financial position, the group cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 an auditors' report 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.

Respective responsibilities of directors and auditors

As explained more fully in the Director's Responsibilities Statement (set out on page 3), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2016 and of the group's loss 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.

WESTMINSTER HOMECARE LIMITED
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
OF WESTMINSTER HOMECARE LIMITED (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the strategic report and the directors' report has been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the director's report.

Matters on which we are required to report by exception

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 disclosure of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Christopher Andrews ACA (senior statutory auditor)
For and on behalf of Leftley Rowe and Company
Chartered Accountants and Statutory Auditors
The Heights
59 – 65 Lowlands Road
Harrow
Middlesex
HA1 3AW

18 September 2017

WESTMINSTER HOMECARE LIMITED

CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 DECEMBER 2016

		2016	2015
	Notes	£	£
Turnover	3	40,258,108	35,645,219
Cost of sales		(30,207,071)	(25,432,971)
Gross profit		10,051,037	10,212,248
Distribution costs		(6,467,126)	(5,830,634)
Administrative expenses		(3,615,252)	(4,054,916)
Operating profit/(loss)	4	(31,341)	326,698
Interest receivable and similar income	6	1,187	4,059
Interest payable and similar charges	7	(271)	-
(Loss)/profit on ordinary activities before taxation		(30,425)	330,757
Tax on profit on ordinary activities	9	(219,385)	(308,459)
(Loss)/profit for the financial year and total comprehensive income		(249,810)	22,298
Dividends paid		(2,000,000)	-
		(2,249,810)	22,298
Retained earnings at the start of the year		6,801,169	6,778,871
Retained earnings at the end of the year		4,551,359	6,801,169

All the activities of the group are from continuing operations.

The notes form an integral part of these financial statements.

WESTMINSTER HOMECARE LIMITED

Company number: 03353584

CONSOLIDATED STATEMENT OF FINANCIAL POSITION**AS AT 31 DECEMBER 2016**

	Notes	£	2016 £	2015 £
Fixed assets				
Intangible assets	11		158,911	1,282,634
Tangible assets	12		377,182	340,310
			<u>536,093</u>	<u>1,622,944</u>
Current assets				
Debtors	14	7,137,401	6,259,071	
Cash at bank and in hand		258,049	2,011,496	
		<u>7,395,450</u>	<u>8,270,567</u>	
Creditors: amounts falling due within one year	15	<u>(3,109,410)</u>	<u>(2,831,266)</u>	
Net current assets			<u>4,286,040</u>	<u>5,439,301</u>
Total assets less current liabilities			<u>4,822,133</u>	<u>7,062,245</u>
Provision for liabilities	16		<u>(20,774)</u>	<u>(11,076)</u>
Net assets			<u>4,801,359</u>	<u>7,051,169</u>
Capital and reserves				
Called up share capital	18		250,000	250,000
Profit and loss account			4,551,359	6,801,169
Shareholders' funds			<u>4,801,359</u>	<u>7,051,169</u>

The financial statements were approved by the Board of directors and authorised for issue on 18 September 2017 and are signed on behalf of the board by:



JM Patel
Director

The notes form an integral part of these financial statements.

WESTMINSTER HOMECARE LIMITED

Company number: 03353584

HOLDING COMPANY STATEMENT OF FINANCIAL POSITION**AS AT 31 DECEMBER 2016**

	Notes	£	2016 £	£	2015 £
Fixed assets					
Intangible assets	11a		158,928		1,290,404
Tangible assets	12a		377,182		335,781
Investments	13		1,020		552,353
			<u>537,130</u>		<u>2,178,538</u>
Current assets					
Debtors	14a	7,137,401		6,204,787	
Cash at bank and in hand		226,433		2,011,196	
		<u>7,363,834</u>		<u>8,215,983</u>	
Creditors: amounts falling due within one year	15a	(3,089,212)		(2,784,361)	
Net current assets			<u>4,274,622</u>		<u>5,431,622</u>
Total assets less current Liabilities			<u>4,811,752</u>		<u>7,610,160</u>
Provisions for liabilities	16a		(20,774)		(10,287)
Net assets			<u>4,790,978</u>		<u>7,599,873</u>
Capital and reserves					
Called up share capital	18		250,000		250,000
Profit and loss account			4,540,978		7,349,873
Shareholders' funds			<u>4,790,978</u>		<u>7,599,873</u>

The financial statements were approved by the Board of directors and authorised for issue on 18 September 2017 and are signed on behalf of the board by:



J M Patel
Director

The notes form an integral part of these financial statements.

WESTMINSTER HOMECARE LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	£	£
Cash flows from operating activities		
(Loss)/profit for the financial year	(249,810)	22,298
Adjustments for:		
Depreciation of tangible assets	50,722	52,033
Depreciation of intangible assets	1,123,723	1,217,275
Other interest receivable and similar income	(1,187)	(4,059)
Interest payable and similar charges	271	-
Tax on profit on ordinary activities	219,385	308,459
Loss on disposal of assets	12,766	4,536
Changes in:		
Trade and other debtors	(883,666)	(12,050)
Trade and other creditors	290,844	(701,148)
Cash generated from operations	<u>563,048</u>	<u>887,344</u>
Interest paid	(271)	-
Interest received	1,187	4,059
Tax paid	(217,051)	(505,894)
Net cash from operating activities	<u>346,913</u>	<u>385,509</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(102,155)	(42,242)
Purchase of intangible fixed assets	-	(254,296)
Proceeds on disposal of assets	1,795	-
Net cash used for investing activities	<u>(100,360)</u>	<u>(296,538)</u>
Cash flows from financing activities		
Dividends paid	(2,000,000)	-
Net cash used in financing activities	<u>(2,000,000)</u>	<u>-</u>
Net increase in cash and cash equivalents	(1,753,447)	88,971
Cash and cash equivalents at beginning of year	2,011,496	1,922,525
Cash and cash equivalents at end of year	<u>258,049</u>	<u>2,011,496</u>

The notes form an integral part of these financial statements

WESTMINSTER HOMECARE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1a General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Westminster Homecare Limited, Symal House, 423 Edgware Road, London, NW9 0HU.

1b Statement of compliance

These financial statements have been prepared in compliance with FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

2 Accounting policies

Basis of preparation

These consolidated and separate financial statements are prepared on a going concern basis, under the historical cost basis, as modified by the recognition of certain financial assets and liabilities measured at fair value.

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

Basis of consolidation

The consolidated financial statements include the results of Westminster Homecare Limited and its subsidiary undertakings drawn up to 31 December 2016. The company's own Statement of Comprehensive Income is not included as permitted by Section 408 of the Companies Act 2006.

Turnover

Turnover represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where the contract has only been partially completed at the balance sheet date turnover represents the value of the services provided to date based on a proportion of the total expected consideration at completion. Where payments are received from customers in advance of services provided, the amounts are recorded as payments on account and included as part of Creditors due within one year.

WESTMINSTER HOMECARE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, 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.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed four years.

Tangible assets

Tangible assets are initially recorded at cost, and are 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 capital and reserves, 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 capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

WESTMINSTER HOMECARE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Impairment

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.

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.

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 twelve 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 in finance costs in profit or loss in the period in which it arises.

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 statement of financial position 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 in finance costs in profit or loss in the period it arises.

WESTMINSTER HOMECARE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3 Turnover

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the UK.

4	Operating profit/(loss)	2016 £	2015 £
	Operating profit is after charging/(crediting):		
	Depreciation of intangible fixed assets	1,123,723	1,217,275
	Depreciation of tangible fixed assets	50,722	52,033
	Loss on disposal of tangible assets	12,766	4,536
	Defined contribution plans expenses	157,448	134,625
	Operating lease rentals	566,374	497,882
	Auditors' remuneration (Note 5)	17,306	20,500

5	Auditors' remuneration	2016 £	2015 £
	Auditors' remuneration – audit of the financial statements	17,306	20,500

6	Interest receivable and similar income	2016 £	2015 £
	Bank interest	1,187	4,059

7	Interest payable and similar charges	2016 £	2015 £
	Other interest	271	-
	On-overdue tax	-	-
		271	-

WESTMINSTER HOMECARE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

8 Employees

Number of employees	2016 Number	2015 Number
The average monthly number of employees, including directors, during the period was as follows:		
Administration	227	252
Carers and nursing staff	2,024	2,519
Management	33	2
	<u>2,284</u>	<u>2,773</u>

Employment costs	2016 £	2015 £
Wages and salaries (including employers national insurance)	35,025,543	29,848,164
Pension costs	157,448	134,625
	<u>35,182,991</u>	<u>29,982,789</u>

8.1 Directors' remuneration

	2016 £	2015 £
Remuneration and other emoluments	<u>45,000</u>	<u>45,000</u>

WESTMINSTER HOMECARE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

9 Tax on profit on ordinary activities

Analysis of charge in period	2016 £	2015 £
Current tax		
UK corporation tax	209,687	312,355
Adjustments in respect of previous periods	-	(41)
Total current tax charge	<u>209,687</u>	<u>312,314</u>
Deferred tax		
Timing differences, origination and reversal	9,698	(3,855)
Total deferred tax	<u>9,698</u>	<u>(3,855)</u>
Tax on profit on ordinary activities	<u>219,385</u>	<u>308,459</u>

Reconciliation of tax expense

	2016 £	2015 £
(Loss)/profit on ordinary activities before taxation	<u>(30,425)</u>	<u>330,757</u>
Profit on ordinary activities multiplied by main rate of Corporation tax in the UK of 20%	(6,085)	66,151
Effects of:		
Expenses not deductible for tax purposes	226,295	239,060
Adjustments to tax charge in respect of previous periods	-	(41)
Changes in rate of tax	-	3,677
Timing differences	(825)	(388)
Current tax charge for period	<u>219,385</u>	<u>308,459</u>

10 Profit attributable to the shareholders of the holding company

The (loss)/profit dealt with in the financial statements of the parent company amounted to a loss of £808,895 (2015: profit £107,725). The loss for the year includes the impairment of investment in subsidiary undertaking as described in note 13.

WESTMINSTER HOMECARE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

11 Intangible fixed assets

Group	Goodwill £	Total £
Cost		
At 1 January 2016	<u>10,383,628</u>	<u>10,383,628</u>
At 31 December 2016	<u>10,383,628</u>	<u>10,383,628</u>
Amortisation		
At 1 January 2016	<u>9,100,994</u>	<u>9,100,994</u>
Charge for the year	<u>1,123,723</u>	<u>1,123,723</u>
At 31 December 2016	<u>10,224,717</u>	<u>10,224,717</u>
Net book value		
At 31 December 2016	<u>158,911</u>	<u>158,911</u>
At 31 December 2015	<u>1,282,634</u>	<u>1,282,634</u>

WESTMINSTER HOMECARE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

11a Intangible fixed assets

Company	Goodwill £	Total £
Cost		
At 1 January 2016	9,463,987	9,463,987
At 31 December 2016	<u>9,463,987</u>	<u>9,463,987</u>
Amortisation		
At 1 January 2016	8,173,583	8,173,583
Charge for year	1,131,476	1,131,476
At 31 December 2016	<u>9,305,059</u>	<u>9,305,059</u>
Net book value		
At 31 December 2016	<u>158,928</u>	<u>158,928</u>
At 31 December 2015	<u>1,290,404</u>	<u>1,290,404</u>

The Company's policy upon acquisition of a subsidiary is to transfer the trade and net assets of the newly-acquired subsidiary to the Company at book value. The initial cost of the Company's investment in the subsidiary undertaking reflects the underlying fair value of its net assets and goodwill at the time of its acquisition. As a result of the transfer, the value of the Company's investment in the subsidiary undertaking falls below the amount at which it is stated in the Company's accounting records. The Companies Act 2006 requires that the investment be written down accordingly and that the amount be charged as a loss in the Company's statement of income and retained earnings. However, the directors consider that, as there has been no overall loss to the Company, it would fail to give a true and fair view to charge the diminution to the Company's statement of income and retained earnings and it should instead be re-allocated to goodwill and the identifiable net assets transferred, so as to recognise, in the Company's individual statement of financial position, the effective cost to the Company of those net assets and goodwill. The effect on the Company's statement of financial position of this departure is to recognise goodwill at cost of £7,630,233 (2015: £7,630,233), less accumulated amortisation of £7,471,285 (2015: £6,339,809).

Given that the business concerned operates in a generally stable market, the directors have concluded that the estimated economic life of the resulting intangible asset is four years at the date the transfer took place. The asset is reviewed annually for impairment. The review at 31 December 2016 indicated that no impairment had arisen.

WESTMINSTER HOMECARE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

12 Tangible fixed assets

Group	Land and buildings freehold	Leasehold improvements	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2016	204,839	24,290	561,147	76,948	867,224
Additions	-	-	86,805	15,350	102,155
Disposals	-	-	(840)	(23,050)	(23,890)
At 31 December 2016	<u>204,839</u>	<u>24,290</u>	<u>647,112</u>	<u>69,248</u>	<u>945,489</u>
Depreciation					
At 1 January 2016	23,385	24,290	451,995	27,244	526,914
Disposals	-	-	(88)	(9,241)	(9,329)
Charge for the year	3,629	-	36,820	10,273	50,722
At 31 December 2016	<u>27,014</u>	<u>24,290</u>	<u>488,727</u>	<u>28,276</u>	<u>568,307</u>
Net book value					
At 31 December 2016	<u>177,825</u>	<u>-</u>	<u>158,385</u>	<u>40,972</u>	<u>377,182</u>
At 31 December 2015	<u>181,454</u>	<u>-</u>	<u>109,152</u>	<u>49,704</u>	<u>340,310</u>

WESTMINSTER HOMECARE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

12a Tangible fixed assets

Company	Land and buildings freehold £	Leasehold improvements £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2016	204,839	24,290	893,258	77,368	1,199,755
Additions	-	-	86,805	15,350	102,155
Disposals	-	-	(840)	(23,050)	(23,890)
Transfers	-	-	25,001	-	25,001
At 31 December 2016	<u>204,839</u>	<u>24,290</u>	<u>1,004,224</u>	<u>69,668</u>	<u>1,303,021</u>
Depreciation					
At 1 January 2016	23,385	24,290	788,635	27,664	863,974
Charge for the year	3,629	-	36,536	10,273	50,438
Disposals	-	-	(88)	(9,241)	(9,329)
Transfers	-	-	20,756	-	20,756
At 31 December 2016	<u>27,014</u>	<u>24,290</u>	<u>845,839</u>	<u>28,696</u>	<u>925,839</u>
Net book value					
At 31 December 2016	<u>177,825</u>	<u>-</u>	<u>158,385</u>	<u>40,972</u>	<u>377,182</u>
At 31 December 2015	<u>181,454</u>	<u>-</u>	<u>104,623</u>	<u>49,704</u>	<u>335,781</u>

WESTMINSTER HOMECARE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

13	Fixed asset investments		
	Company	Subsidiary undertakings shares £	Total £
	Cost		
	At 1 January 2016	552,353	552,353
	At 31 December 2016	<u>552,353</u>	<u>552,353</u>
	Impairment		
	At 1 January 2016	-	-
	Revaluation		
	At 31 December 2016	<u>551,333</u>	<u>551,333</u>
	Net book value		
	At 31 December 2016	<u>1,020</u>	<u>1,020</u>
	At 31 December 2015	<u>552,353</u>	<u>552,353</u>

The impairment charge for the year relates to the Company's investment in its subsidiary undertaking, Care in the Home Limited.

Note 11a describes the normal policy followed by the Company upon acquisition of a new subsidiary. However, due to operational reasons, the Company was unable to follow this policy when it acquired Care in the Home Limited in 2012 and the subsidiary continued to trade.

During 2016 the Company was able to transfer the operations of Care in the Home Limited into the parent company as part of its own trade and operations. Care in the Home Limited then ceased to trade. The directors have therefore considered it appropriate to write-down the book value of the investment in the now-dormant subsidiary to reflect the underlying value of the remaining assets. Impairment of £551,333 has therefore been charged during the year.

WESTMINSTER HOMECARE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

The company holds 20% or more of the share capital of the following companies:

Company	Country of incorporation	Shares held Class	Proportion Held	Nature of Business
Subsidiary undertaking				
Independent Living Network East Limited	England & Wales	Ordinary	100%	Dormant
Care In The Home Limited	England & Wales	Ordinary	100%	Home care
Home Choice Care Limited	England & Wales	Ordinary	100%	Dormant
National Medicare Limited	England & Wales	Ordinary	100%	Dormant

14 Debtors	2016	2015
Group	£	£
Trade debtors	6,804,919	5,709,712
Other debtors	237,993	422,989
Prepayments and accrued income	94,489	126,370
	<u>7,137,401</u>	<u>6,259,071</u>

14a Debtors	2016	2015
Company	£	£
Trade debtors	6,804,919	5,667,729
Amounts owed by group undertaking	-	-
Other debtors	237,993	410,688
Prepayments and accrued income	94,489	126,370
	<u>7,137,401</u>	<u>6,204,787</u>

WESTMINSTER HOMECARE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

15	Creditors: amounts falling due within one year	2016	2015
	Group	£	£
	Bank overdraft	-	3,154
	Trade creditors	621,519	389,786
	Corporation tax	32,640	45,340
	Other creditors	2,341,686	2,274,416
	Accruals and deferred income	113,565	118,570
		<u>3,109,410</u>	<u>2,831,266</u>

15a	Creditors: amounts falling due within one year	2016	2015
	Company	£	£
	Trade creditors	621,519	388,219
	Amounts owed to group undertakings	12,642	41,545
	Corporation tax	-	17,289
	Other creditors	2,341,686	2,218,738
	Accruals and deferred income	113,365	118,570
		<u>3,089,212</u>	<u>2,784,361</u>

16	Provisions for liabilities	Deferred Taxation (Note 17)	Total
	Group	£	£
	At 1 January 2016	11,076	11,076
	Movements in the year	9,698	9,698
	At 31 December 2016	<u>20,774</u>	<u>20,774</u>

16a	Provisions for liabilities	Deferred Taxation	Total
	Company	£	£
	At 1 January 2016	10,287	10,287
	Movements in the year	10,487	10,487
	At 31 December 2016	<u>20,774</u>	<u>20,774</u>

WESTMINSTER HOMECARE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

17 Deferred taxation

Group	2016	2015
	£	£
Accelerated capital allowances	<u>20,774</u>	<u>11,076</u>
Provision at 1 January 2016	11,076	
Credit to income statement	<u>9,698</u>	
Provision at 31 December 2016	<u>20,774</u>	

18 Share capital

	2016	2015
	£	£
Allotted, called up and fully paid equity		
166,666 "A" Ordinary shares of £1 each	166,666	166,666
83,334 "B" Ordinary shares of £1 each	<u>83,334</u>	<u>83,334</u>
	<u>250,000</u>	<u>250,000</u>

19 Operating leases

The company as lessee

The total minimum lease payments under non-cancellable operating leases are as follows:

	2016	2015
	£	£
Not later than 1 year	381,761	254,923
Later than 1 year and not later than 5 years	322,479	236,854
Later than 5 years	<u>290,250</u>	-
	<u>994,490</u>	<u>491,777</u>

WESTMINSTER HOMECARE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

20 Directors advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2016		
	Balance brought forward £	Advances to the directors £	Balance outstanding £
S C Radia	<u>104,753</u>	<u>240,282</u>	<u>240,282</u>

21 Related party transactions

The group has taken advantage of the exemption not to disclose transactions or balances between group entities that have been eliminated on consolidation.