Registered number: 07861667

LOUGHTON CARE CENTRE LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

LOUGHTON CARE CENTRE LIMITED

COMPANY INFORMATION

Directors	H Atkar S Pereira
Registered number	07861667
Registered office	Regal House Royal Crescent Ilford Essex IG2 7JY
Independent auditors	KPMG LLP 58 Clarendon Road Watford WD17 1DE
Accountants	RPG Crouch Chapman LLP 62 Wilson Street London EC2A 2BU

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LOUGHTON CARE CENTRE LIMITED

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017

Introduction

The directors present the strategic report and financial statements for the year ended 31 December 2017.

Business review

For the period 1 January 2017 to 14 July 2017 the company operated as a care home which operated in the residential, nursing and specialist elderly care market sector.

On 14 July 2017 the company transferred the trade as the care home operator for the Loughton Care Centre to fellow group company Oakland Primecare Limited. From that date the company changed to being a property investment company renting the freehold property to Oakland Primecare Limited for the use of the Loughton Care Centre Limited.

The entity has taken early adoption of the FRS102 triennial review. The area of note is with respect to renting investment property to a fellow group member and the company has retained the land and buildings in freehold property instead of transferring it to investment property.

Principal risks and uncertainties

Regulation compliance
During the period of operating as a care come, one of the biggest risks to the business is to operate within the sector's regulations and compliance regime. The directors monitor the running of the care homes and monitor any changes in the regulations. They also ensure that qualified and experienced personnel are employed and that staff are continuously trained to provide quality care and services to the residents.

Treasury operations and financial instruments
The primary financial instruments are intercompany loans, deposits, debtors and trade creditors. These arise directly from the company's trading operations and shareholder's support. Together with other group companies, the company cross guarantees the bank borrowings of fellow subsidiary undertakings.

Liquidity risk
The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

Credit risk
The principal financial assets are bank balances and cash, which represent the company's maximum exposure to credit risk in relation to financial assets.

Financial key performance indicators

The board monitors the progress of the company by reference to the following KPIs:

Turnover

Operating profit

LOUGHTON CARE CENTRE LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

This report was approved by the board on 10th September 2018 and signed on its behalf.

....
S Pereira
Director

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

Principal activity

The principal activity of the company was that of operating a care home for the period 1 January 2017 to 14 July 2017. From 14 July 2017 the principal activity changed to that of a property investment company.

Results and dividends

The profit for the year, after taxation, amounted to £938,000 (2016 -£887,000).

Going concern

The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has the resources to continue in business for the forseeable future. Furthermore the Directors are not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. In addition the Company has received an undertaking from its fellow subsidiary company that no amounts owed by the Company will be called for repayment for a period of at least 12 months from the date of approval of these financial statements unless the Company is in a position to make payments without adversely affecting its ability to continue to trade and settle any future obligations. Therefore the financial statements have been prepared on a going concern basis.

Directors

The directors who served during the year were:

H Atkar
S Pereira

Future developments

The directors do not consider there to be any future developments that require specific disclosure.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Political contributions

The Company made no political donations or incurred any political expenditure during the year.

Proposed dividend

The directors do not recommend the payment of a dividend.

Auditor

The auditor, KPMG LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 of the profit or loss of the company 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 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

This report was approved by the board on 10th September 2018 and signed on its behalf.

....
S Pereira
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOUGHTON CARE CENTRE LIMITED

Opinion

We have audited the financial statements of Loughton Care Centre Limited ("the company") for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements do not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;

- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and

- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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 auditor's 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.

David Simpson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
58 Clarendon Road
Watford
WD17 1DE

Date: 17 September 2018

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	31 December 2017 £000	10 months ended 31 December 2016 £000
Turnover	4	3,206	3,903
Cost of sales		(1,527)	(2,172)
Gross profit		1,679	1,731
Administrative expenses		(436)	(465)
Operating profit	5	1,243	1,266
Interest receivable	7	117	10
Interest payable and expenses	8	(422)	(359)
Profit before tax		938	917
Tax on profit	9	-	(30)
Profit for the financial year / period		938	887

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2017 (2016:£NIL).

The notes on pages 12 to 26 form part of these financial statements.

LOUGHTON CARE CENTRE LIMITED
REGISTERED NUMBER:07861667

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note		2017 £000		2016 £000
Fixed assets					
Tangible assets	10		8,652		8,986
			8,652		8,986
Current assets					
Debtors: amounts falling due within one year	12	2,253		652	
Cash at bank and in hand	11	17		78	
		2,270		730	
Creditors: amounts falling due within one year	13	(7,772)		(7,504)	
Net current liabilities			(5,502)		(6,774)
Total assets less current liabilities			3,150		2,212
Provisions for liabilities					
Deferred tax	15	(79)		(79)	
			(79)		(79)
Net assets			3,071		2,133
Capital and reserves					
Called up share capital	16		-		-
Revaluation reserve			2,400		2,400
Profit and loss account			671		(267)
			3,071		2,133

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10th September 2018

....
S Pereira
Director

The notes on pages 12 to 26 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 January 2017	-	2,400	(267)	2,133
Comprehensive income for the year				
Profit for the year	-	-	938	938
At 31 December 2017	-	2,400	671	3,071

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2016

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 March 2016	-	2,400	(1,154)	1,246
Comprehensive income for the period				
Profit for the period	-	-	887	887
At 31 December 2016	-	2,400	(267)	2,133

The notes on pages 12 to 26 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

Loughton Care Centre Limited is a private company limited by shares, incorporated in England and Wales under the Companies Act. The address of the registered office is given on the contents page and the principal activity is set out in the directors report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The group has early adopted the FRS102 Triennial review 2017 amendments, including the provision in relation to transferring investment property rented to another group company to property plant and equipment at cost less accumulated depreciation.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Gibson Topco Limited as at 31 December 2017 and these financial statements may be obtained from Companies House.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.3 Going concern

Notwithstanding the net current liability of £5.5M (2016: £6.77M). The directors consider that the business is a going concern for the following reasons.

The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore the Directors are not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. In addition the Company has received an undertaking from its fellow subsidiary company that no amounts owed by the Company will be called for repayment for a period of at least 12 months from the date of approval of these financial statements unless the Company is in a position to make payments without adversely affecting its ability to continue to trade and settle any future obligations. Therefore the financial statements have been prepared on a going concern basis.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Provision of care home services

Revenue from the provision of care home services is recognised in the period in which services are provided, in accordance with the individual residents contract, and if it is probable that the company will receive the consideration under the contract

Rental income

Revenue for rental income is recognised on an accruals basis in line with the rental agreement.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the following rates.

Depreciation is provided on the following basis:

Freehold property	-	2% reducing balance
Fixtures and fittings	-	20% reducing balance
Computer equipment	-	33% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

The directors believe that the residual value of the freehold property, which includes land and buildings, is greater than the carrying value at the year end and therefore no depreciation is recognised.

Where fixed assets had previously been revalued, on transition to FRS102 this was treated as deemed cost.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Amounts owed by group undertakings are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2. Accounting policies (continued)

2.8 Financial instruments

Financial assets including cash at bank and trade and other debtors are measured initially at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities including trade and other creditors, as well as bank overdrafts, are measured initially at transaction price (including transaction costs) and subsequently held at amortised cost.

Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of cash or other consideration expected to be paid or received.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.12Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

2. Accounting policies (continued)

2.13Financial risk management

Intercompany loan balances attract interest at a market rate equivalent to a commercial loan provided on similar terms. The interest is charged to the Statement of Comprehensive Income over the term of the debt on a compounded basis.

Interest rate risk is managed by benchmarking intercompany loans against comparable commercial loans to ensure that current interest rate risk management strategies are appropriate.

The principal financial assets are bank balances and cash, which represent the company's maximum exposure to credit risk in relation to financial assets.

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

The Board of Directors monitor capital on the basis of the value of net assets attributable to redeemable shareholders.

2.14Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2. Accounting policies (continued)

2.15Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

4. Turnover

An analysis of turnover by class of business is as follows:

	31 December 2017 £000	10 months ended 31 December 2016 £000
Fee income from operating as a care home	2,899	3,903
Rental income	326	-
	3,225	3,903

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging

	31 December 2017 £000	10 months ended 31 December 2016 £000
Depreciation of tangible fixed assets	-	5

Fees payable to the company's auditors for the auditing of the company's annual accounts are borne by a related undertaking.

6. Employees

Staff costs were as follows:

	31 December 2017 £000	10 months ended 31 December 2016 £000
Wages and salaries	1,290	1,697
Social security costs	89	124
	1,379	1,821

No director received any emoluments during the current year (2016 - £Nil). The notional cost of the Directors was inconsequential during the year.

The average monthly number of employees, including the directors, during the year was as follows:

	31 December 2017 No.	10 months ended 31 December 2016 No.
Staff	63	100

7. Interest receivable

	31 December 2017 £000	10 months ended 31 December 2016 £000
Interest receivable from group companies	117	9
Other interest receivable	-	1
	117	10

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

8. Interest payable and similar charges

	31 December 2017 £000	10 months ended 31 December 2016 £000
Bank interest payable	-	126
Other loan interest payable	-	68
Loans from group undertakings	422	163
Finance leases and hire purchase contracts	-	2
	422	359

9. Taxation

	31 December 2017 £000	10 months ended 31 December 2016 £000
Corporation tax		
Current tax on profits for the year	-	22
	-	22
Total current tax	-	22
Deferred tax		
Origination and reversal of timing differences	-	8
Total deferred tax	-	8
Taxation on profit on ordinary activities	-	30

9. Taxation (continued)

Factors affecting tax charge for the year/period

The tax assessed for the year/period is higher than (2016 -lower than) the standard rate of corporation tax in the UK of 19% (2016 - 20%). The differences are explained below:

	31 December 2017 £000	10 months ended 31 December 2016 £000
Profit on ordinary activities before tax	938	917
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2016 -20%)	178	183
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	7	94
Capital allowances for year/period in excess of depreciation	(7)	(19)
Adjust closing deferred tax rate to average rate	-	(2)
Deferred tax not recognised	-	(174)
Group relief	(178)	(52)
Total tax charge for the year/period	-	30

Factors that may affect future tax charges

Reductions to the UK Corporation tax rates were substantially enacted as part of the Finance Bill (No 2) 2015 on 18 November 2015. This reduced the main rate to 19% from 1 April 2017 and to 18% from 1 April 2020.

A further reduction to the UK corporation tax was announced in the March 2016 budget reducing the main rate to 17% from 1 April 2020.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

10. Tangible fixed assets

	Freehold property £000	Plant and machinery £000	Fixtures and fittings £000	Computer equipment £000	Total £000
Cost or valuation					
At 1 January 2017	8,652	2	512	22	9,188
Disposals	-	(2)	(512)	(22)	(536)
At 31 December 2017	8,652	-	-	-	8,652
At 1 January 2017	-	-	194	9	203
Disposals	-	-	(194)	(9)	(203)
At 31 December 2017	-	-	-	-	-
Net book value					
At 31 December 2017	8,652	-	-	-	8,652
At 31 December 2016	8,652	2	318	13	8,985

Freehold property at 31 December 2017 is analysed as follows:

	Land and buildings £000
At cost	6,252
At valuation:	
February 2015 revaluation surplus	2,400
	8,652

10. Tangible fixed assets (continued)

In the opinion of the directors there has been no change in the fair value of the freehold property since (February 2016) when the revised valuation was transferred to deemed cost.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2017 £000	2016 £000
Cost	6,252	6,252
Net book value	6,252	6,252

There is a fixed and floating charge which covers all the property or undertaking of the company by way of group guarantee for the loan disclosed in Gibson Propco Limited, a fellow subsidiary undertaking. The balance of the loan drawn down at the period end was £12,811,000 (2016: £9,908,000).

11. Cash and cash equivalents

	2017 £000	2016 £000
Cash at bank and in hand	17	78
	17	78

12. Debtors

	2017 £000	2016 £000
Trade debtors	326	196
Amounts owed by group undertakings	1,927	422
Prepayments and accrued income	-	34
	2,253	652

Amounts owed by group undertakings bear interest at 5.5% per annum.

All amounts shown under debtors fall due for payment within one year.

13. Creditors: Amounts falling due within one year

	2017 £000	2016 £000
Trade creditors	61	69
Amounts owed to group undertakings	7,727	7,000
Corporation tax	-	22
Other taxation and social security	-	32
Other creditors	1	227
Accruals and deferred income	(17)	154
	7,772	7,504

Amounts owed to group undertakings bear interest at 5.5% per annum.

14. Financial instruments

	2017 £000	2016 £000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	2,270	696
	2,270	696
Financial liabilities		
Financial liabilities measured at amortised cost	(7,772)	(7,449)
	(7,772)	(7,449)

Financial assets measured at amortised cost comprise cash and debtors (excluding prepayments and taxation).

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed by group undertakings, other creditors and accruals and deferred income.

15. Deferred taxation

	2017 £000	2016 £000
At beginning of year	(79)	(71)
Charged to statement of comprehensive income	-	(8)
At end of year	(79)	(79)

The provision for deferred taxation is made up as follows:

	2017 £000	2016 £000
Accelerated capital allowances	(8)	(8)
Capital gain on freehold revaluation	(71)	(71)
	(79)	(79)

16. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
1 Ordinary £1 share of £1	1	1

The ordinary shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

17. Reserves

Called up share capital

Called up share capital reserve represents the nominal value of the company's shares.

Revaluation reserve

The revaluation reserve represents cumulative gains and losses upon revaluation of tangible fixed assets.

Profit and loss account

Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

18. Controlling party

The immediate parent company is Gibson Propco Limited. Gibson Propco Limited is indirectly owned by Gibson Topco Limited (the ultimate parent company).

The directors consider that the ultimate controlling party is Synova Capital Fund III LP, by virtue of its majority shareholding in Gibson Topco Limited (the ultimate parent company).

Gibson Topco Limited is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 December 2017. A copy of the consolidated financial statements can be obtained from Companies House.