

**FAREHAM AREA CLINICAL ENTERPRISE  
LIMITED**

**UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2018**

**PAGES FOR FILING WITH REGISTRAR**



**FAREHAM AREA CLINICAL ENTERPRISE LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2018**

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Tangible assets	4		9,652		12,869
Investment properties	5		289,333		289,333
Investments	6		1,000		1,000
			<u>299,985</u>		<u>303,202</u>
<b>Current assets</b>					
Debtors	7	38,719		30,188	
Cash at bank and in hand		47,697		146,379	
		<u>86,416</u>		<u>176,567</u>	
<b>Creditors: amounts falling due within one year</b>	8	(134,368)		(117,479)	
<b>Net current (liabilities)/assets</b>			<u>(47,952)</u>		<u>59,088</u>
<b>Total assets less current liabilities</b>			252,033		362,290
<b>Creditors: amounts falling due after more than one year</b>	9		-		(103,463)
<b>Provisions for liabilities</b>	10		(1,495)		(2,188)
<b>Net assets</b>			<u>250,538</u>		<u>256,639</u>
<b>Capital and reserves</b>					
Called up share capital	11		200		201
Share premium account			1,393		1,393
Capital redemption reserve			27		25
Profit and loss reserves			248,918		255,020
<b>Total equity</b>			<u>250,538</u>		<u>256,639</u>

# FAREHAM AREA CLINICAL ENTERPRISE LIMITED

## STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2018

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

For the financial year ended 31 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 10/12/2018 and are signed on its behalf by:



M J Birch  
Director

# FAREHAM AREA CLINICAL ENTERPRISE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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### 1 Accounting policies

#### Company information

Fareham Area Clinical Enterprise Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is The Old Bakehouse, 21 High Street, Titchfield, Fareham, Hampshire, PO14 4AQ.

#### Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention modified to include investment properties. The principal accounting policies adopted are set out below.

#### Going concern

These financial statements are not prepared on the going concern basis. The directors do not foresee the company continuing for the next 12 months, following the loss of their main contract. New contracts will not be sought and therefore the company is due to cease in the next year.

#### Turnover

Turnover is recognised at the fair value of the consideration received or receivable for medical services provided in the normal course of business.

#### Tangible fixed assets

Tangible fixed assets are measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Equipment	25% reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### Investment properties

Investment property, which is property held to earn rentals, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

#### Fixed asset investments

Fixed asset investments are stated at cost, being purchase price. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

# FAREHAM AREA CLINICAL ENTERPRISE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2018

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#### 1 Accounting policies (Continued)

##### **Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

##### **Cash and cash equivalents**

Cash and cash equivalents are basic financial instruments and include deposits held at call with banks.

##### **Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including trade and other creditors 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 payments discounted at a market rate of interest.

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

##### **Equity instruments**

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

# FAREHAM AREA CLINICAL ENTERPRISE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2018

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#### 1 Accounting policies (Continued)

##### **Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

For non-depreciable assets measured using the revaluation model and investment properties measured at fair value (except investment property with a limited useful life held by the company to consume substantially all of its economic benefit), deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

##### **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

##### **Retirement benefits**

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

##### **Leases**

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

#### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 18 (2017 - 16).

# FAREHAM AREA CLINICAL ENTERPRISE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

### 3 Directors' remuneration

	2018 £	2017 £
Remuneration paid to directors	48,626	49,807

### 4 Tangible fixed assets

	Equipment £
<b>Cost</b>	
At 1 April 2017 and 31 March 2018	91,367
<b>Depreciation and impairment</b>	
At 1 April 2017	78,498
Depreciation charged in the year	3,217
At 31 March 2018	81,715
<b>Carrying amount</b>	
At 31 March 2018	9,652
At 31 March 2017	12,869

# FAREHAM AREA CLINICAL ENTERPRISE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2018

#### 5 Investment property

	2018 £
<b>Fair value</b>	
At 1 April 2017 and 31 March 2018	289,333

Investment property comprises a medical centre. The fair value of the investment property has been arrived at on the basis of a valuation carried out on 15 September 2017 by Primary Care Surveyors Ltd, property consultants to the Primary Care Sector. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

#### 6 Fixed asset investments

	2018 £	2017 £
Investments	1,000	1,000

Included in unlisted investments is a 3.33% interest in the issued share capital of Portsmouth Health Limited.

#### Movements in fixed asset investments

	Investments other than loans £
<b>Cost or valuation</b>	
At 1 April 2017 & 31 March 2018	1,000
<b>Carrying amount</b>	
At 31 March 2018	1,000
At 31 March 2017	1,000

#### 7 Debtors

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Trade debtors	38,697	28,006
Other debtors	22	2,182
	38,719	30,188



# FAREHAM AREA CLINICAL ENTERPRISE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2018

#### 8 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	103,678	9,691
Trade creditors	11,701	43,474
Corporation tax	302	7,748
Other taxation and social security	4,694	3,062
Other creditors	13,993	53,504
	<u>134,368</u>	<u>117,479</u>

The bank loan is secured by way of a fixed and floating charge over the assets of the company.

#### 9 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Bank loans and overdrafts	-	103,463
	<u>-</u>	<u>103,463</u>

#### 10 Provisions for liabilities

	2018 £	2017 £
Deferred tax liabilities	1,495	2,188
	<u>1,495</u>	<u>2,188</u>

#### 11 Called up share capital

	2018 £	2017 £
<b>Ordinary share capital</b>		
<b>Issued and not fully paid</b>		
200 Ordinary A shares of £1 each	200	201
	<u>200</u>	<u>201</u>

22 of the 200 Ordinary A shares of £1 each are issued but not fully paid.

Shareholders subscribe to shares at par when they join the company and each shareholder will be responsible for carrying out work within the company. However, when they leave the company the company will repurchase the shares at par from the shareholders.

During the year, the company repurchased 2 shares (2017 - 4 shares) from shareholders for £1,480 (2017 - £1,780).

During the year, the company also issued 1 ordinary share with a nominal value of £1 at par.

# **FAREHAM AREA CLINICAL ENTERPRISE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2018**

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#### **12 Related party transactions**

At 31 March 2018, balances of £3,960 (2017 - £44,548) were owed to shareholders. The movement relates to repayments of shareholder's loans by the company.

#### **13 Directors' transactions**

At 31 March 2018, balances of £nil (2017 - £5,386) were owed to directors. The movement relates to repayments of director's loans by the company.