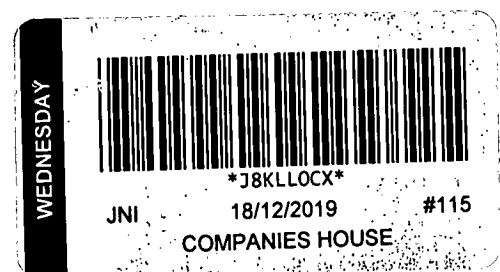
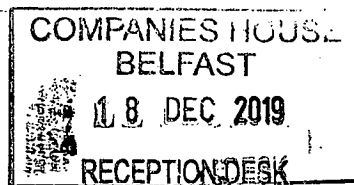


Company Registration No. NI025138 (Northern Ireland)

HILLVIEW LODGE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019



HILLVIEW LODGE LIMITED

COMPANY INFORMATION

Director	Mrs B Kiernan O'Donnell
Secretary	Mr J O'Donnell
Company number	NI025138
Registered office	29 Knockmoyle Road Omagh Co Tyrone BT79 7TB
Auditor	GMcG BELFAST Chartered Accountants & Statutory Auditor Alfred House 19 Alfred Street Belfast BT2 8EQ
Business address.	23 Old Mountfield Road Omagh Co Tyrone BT79 7TB
Bankers	First Trust Bank 8 High Street Omagh Co Tyrone BT78 1BH Danske Bank Donegall Square West Belfast BT1 6JS Santander Bridle Road Bootle Merseyside L30 4GB
Solicitors	Meyler McGuigan 11 High Street Omagh BT78 1BA

HILLVIEW LODGE LIMITED

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Statement of cash flows	11
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HILLVIEW LODGE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The director presents the strategic report for the year ended 31 March 2019.

Business review

The principal activity of the company continued to be that of the provision of nursing care for elderly persons and the provision of domiciliary healthcare.

The director considers the company's key financial performance indicators to be those that communicate the financial performance and strength of the company as a whole, these being turnover, gross profit, profit before taxation and net assets.

Turnover has decreased by 25.8% from £6.19 million to £4.59 million, with a gross profit of £4.43 million (2018 - £6.02 million). This is in line with expectations following the cessation of a large contract at the end of June 2017. Although turnover decreased, profits before tax increased from £264k in 2018 to £296k in 2019.


At the year end the company had net assets of £5.06 million (2018 - £4.83 million).

Principal risks and uncertainties

The company has operated at high occupancy levels and has provided a high level of domiciliary healthcare services throughout the year. The director has considered the risk of not keeping or obtaining new residents for the forthcoming year and has assessed this risk as low. The company also continues to secure contracts for the provision of domiciliary and so overall the director anticipates that the results of the company will remain favourable for the foreseeable future.

The director is also mindful of the risk of rising costs, especially staff costs in order to retain quality staff, which is of key importance to the success of the business. The company operates solely in Northern Ireland, and therefore is not subject to currency risks. The company is in a strong cash position and does not foresee any cash flow risk in the near future. The company's policy is to ensure that sufficient resources are available from cash balances, cash flows and near liquid investments to ensure all obligations can be met when they fall due.

On behalf of the board



Mrs B Kiernan O'Donnell

Director

17/12/19

HILLVIEW LODGE LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The director presents her annual report and financial statements for the year ended 31 March 2019.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Mrs B Kiernan O'Donnell

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

During the year, the policy of providing employees with information about the company has been continued through internal methods in which employees have also been encouraged to present their suggestions and views on the company's performance. Regular meetings are held between local management and employees to allow a free flow of information and ideas.

Auditor

The auditor, GMcG BELFAST, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of director's responsibilities

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless she is 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 director is 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 director is 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. She is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HILLVIEW LODGE LIMITED

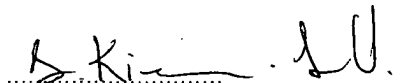
DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



Mrs B Kiernan O'Donnell

Director

Date: 17/12/19

HILLVIEW LODGE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF HILLVIEW LODGE LIMITED

Opinion

We have audited the financial statements of Hillview Lodge Limited (the 'company') for the year ended 31 March 2019 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and 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 FRS 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 company's affairs as at 31 March 2019 and of its 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company 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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company'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.

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HILLVIEW LODGE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF HILLVIEW LODGE LIMITED

Other information

The director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report 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 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.

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



HILLVIEW LODGE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF HILLVIEW LODGE LIMITED

Responsibilities of director

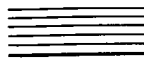
As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for 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 the director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's 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 an auditor's report 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



HILLVIEW LODGE LIMITED

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBER OF HILLVIEW LODGE LIMITED**

Use of our report

This report is made solely to the company's member 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 member those matters we are required to state to her 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 member for our audit work, for this report, or for the opinions we have formed.

**Mr Nigel Moore FCA (Senior Statutory Auditor)
for and on behalf of GMcG BELFAST**

17 December 2019

**Chartered Accountants
Statutory Auditor**

Chartered Accountants & Statutory
Auditor
Alfred House
19 Alfred Street
Belfast
BT2 8EQ

HILLVIEW LODGE LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
Turnover	3	4,593,461	6,190,362
Cost of sales		(167,872)	(166,868)
Gross profit		4,425,589	6,023,494
Administrative expenses		(4,149,263)	(5,797,618)
Other operating income	3	17,007	36,986
Operating profit	4	293,333	262,862
Interest receivable and similar income	7	2,964	2,024
Interest payable and similar expenses	8	(781)	(643)
Profit before taxation		295,516	264,243
Tax on profit	9	(59,615)	(53,378)
Profit for the financial year		235,901	210,865

The profit and loss account has been prepared on the basis that all operations are continuing operations.

HILLVIEW LODGE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	11		144,649		167,156
Investment properties	12		1,127,097		132,097
			<u>1,271,746</u>		<u>299,253</u>
Current assets					
Debtors	14	2,635,138		2,332,785	
Cash at bank and in hand		1,892,105		2,722,599	
		<u>4,527,243</u>		<u>5,055,384</u>	
Creditors: amounts falling due within one year	15	(723,825)		(506,526)	
Net current assets			<u>3,803,418</u>		<u>4,548,858</u>
Total assets less current liabilities			<u>5,075,164</u>		<u>4,848,111</u>
Creditors: amounts falling due after more than one year	16		(10,896)		(14,933)
Provisions for liabilities	19		(529)		(5,340)
Net assets			<u><u>5,063,739</u></u>		<u><u>4,827,838</u></u>
Capital and reserves					
Called up share capital	22		100		100
Profit and loss reserves	23		5,063,639		4,827,738
Total equity			<u><u>5,063,739</u></u>		<u><u>4,827,838</u></u>

The financial statements were approved and signed by the director and authorised for issue on 17/12/19...



Mrs B Kiernan O'Donnell
Director

Company Registration No. NI025138

HILLVIEW LODGE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2017		100	4,621,873	4,621,973
Year ended 31 March 2018:				
Profit and total comprehensive income for the year		-	210,865	210,865
Dividends	10	-	(5,000)	(5,000)
Balance at 31 March 2018		100	4,827,738	4,827,838
Year ended 31 March 2019:				
Profit and total comprehensive income for the year		-	235,901	235,901
Balance at 31 March 2019		100	5,063,639	5,063,739

HILLVIEW LODGE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from operations	28	607,225		463,306	
Interest paid		(781)		(643)	
Income taxes paid		(188,913)		(256,893)	
Net cash inflow from operating activities		417,531		205,770	
Investing activities					
Purchase of tangible fixed assets		(3,456)		(17,688)	
Other investments and loans made		(1,494,605)		(427,327)	
Interest received		2,964		2,024	
Net cash used in investing activities		(1,495,097)		(442,991)	
Financing activities					
Proceeds from borrowings		251,109		-	
Payment of finance leases obligations		(4,037)		(2,912)	
Net cash generated from/(used in) financing activities		247,072		(2,912)	
Net decrease in cash and cash equivalents		(830,494)		(240,133)	
Cash and cash equivalents at beginning of year		2,722,599		2,962,732	
Cash and cash equivalents at end of year		1,892,105		2,722,599	

HILLVIEW LODGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

The entity is a limited liability company incorporated in Northern Ireland. The company's principal place of business is its nursing home at 23 Old Mountfield Road, Omagh, BT79 7EL and the company also operates several offices, based in Omagh, Strabane, Limavady (closed during year), Ballymoney and Ebrington in relation to domiciliary healthcare.

1.1 Accounting convention

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

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 and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 Tangible fixed assets

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

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

Freehold land and buildings	2% straight line
Leasehold improvements	10% straight line
Fixtures and fittings	20% reducing balance
Motor vehicles	25% reducing balance

Freehold land is not depreciated.

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.

HILLVIEW LODGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (Continued)

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, 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. Changes in fair value are recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

1.6 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet 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.

HILLVIEW LODGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and 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 is 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 interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an 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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or 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 third party.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

HILLVIEW LODGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1.9 Equity instruments

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

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

HILLVIEW LODGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (Continued)

1.11 Employee benefits

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

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

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

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

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is 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 estimate 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.

HILLVIEW LODGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

2 Judgements and key sources of estimation uncertainty (Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Fixed assets

The annual depreciation charge on fixed assets depends primarily on the estimated lives of each type of asset and estimates of residual values. The director regularly reviews these asset lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful lives is included in the accounting policies.

Investment property

The director made key assumptions in the determination of the fair value of an investment property in respect of the state of the property market in the location where the property is situated and in respect of the range of reasonable fair value estimates of the asset.

Debtors

Short term debtors are measured at transaction price, less any impairment. Impairment of such debtors involves some estimation uncertainty.

Taxation

Judgements are in relation to the calculation of certain aspects of the year end tax provisions and the respective tax charge. The management used external professional advice to support the year end provisions.

3 Turnover and other revenue

	2019 £	2018 £
Turnover analysed by class of business		
Nursing and residential healthcare	1,019,018	882,242
Domiciliary healthcare	3,491,154	5,233,687
Recharge for preparation and supply of food	51,080	43,314
Respite services	32,209	31,119
	<u>4,593,461</u>	<u>6,190,362</u>
	2019 £	2018 £
Other significant revenue		
Interest income	2,964	2,024
Recharge of utility costs	17,007	36,986
	<u></u>	<u></u>

All turnover arose within the United Kingdom.

HILLVIEW LODGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

4 Operating profit

	2019 £	2018 £
Operating profit for the year is stated after charging:		
Exchange losses	31	-
Fees payable to the company's auditor for the audit of the company's financial statements	12,000	12,000
Depreciation of owned tangible fixed assets	19,671	20,187
Depreciation of tangible fixed assets held under finance leases	4,934	4,252
Loss on disposal of tangible fixed assets	17,238	-
Operating lease charges	6,000	6,000
	<u> </u>	<u> </u>

5 Employees

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

	2019 Number	2018 Number
Hillview Lodge - number of administrative staff	1	1
Hillview Lodge - number of nursing and other staff	40	39
Glen Caring Services - number of administrative staff	8	10
Glen Caring Services - number of nursing and other staff	162	267
	<u> </u>	<u> </u>
	211	317
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2019 £	2018 £
Wages and salaries	3,531,469	5,035,650
Social security costs	243,885	383,293
Pension costs	37,572	29,652
	<u> </u>	<u> </u>
	3,812,926	5,448,595
	<u> </u>	<u> </u>

6 Director's remuneration

	2019 £	2018 £
Remuneration for qualifying services	30,000	30,000
	<u> </u>	<u> </u>

HILLVIEW LODGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

7 Interest receivable and similar income

	2019 £	2018 £
Interest income		
Interest on bank deposits	2,964	991
Other interest income	-	1,033
	<u>2,964</u>	<u>1,033</u>
Total income	<u>2,964</u>	<u>2,024</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	<u>2,964</u>	<u>991</u>
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8 Interest payable and similar expenses

	2019 £	2018 £
Other finance costs:		
Interest on finance leases and hire purchase contracts	<u>781</u>	<u>643</u>

9 Taxation

	2019 £	2018 £
Current tax		
UK corporation tax on profits for the current period	66,822	51,461
Adjustments in respect of prior periods	(2,396)	-
	<u>64,426</u>	<u>51,461</u>
Deferred tax		
Origination and reversal of timing differences	<u>(4,811)</u>	<u>1,917</u>
Total tax charge	<u>59,615</u>	<u>53,378</u>

HILLVIEW LODGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

9 Taxation (Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2019 £	2018 £
Profit before taxation	295,516	264,243
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	56,148	50,206
Tax effect of expenses that are not deductible in determining taxable profit	5,863	3,172
Adjustments in respect of prior years	(2,396)	-
Taxation charge for the year	59,615	53,378

10 Dividends

	2019 £	2018 £
Final paid	-	5,000

11 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 April 2018	54,063	32,750	191,755	69,866	348,434
Additions	510,880	-	3,456	-	514,336
Disposals	(510,880)	-	(14,481)	(1,000)	(526,361)
At 31 March 2019	54,063	32,750	180,730	68,866	336,409
Depreciation and impairment					
At 1 April 2018	5,026	3,948	140,047	32,257	181,278
Depreciation charged in the year	857	3,275	10,975	9,498	24,605
Eliminated in respect of disposals	-	-	(13,543)	(580)	(14,123)
At 31 March 2019	5,883	7,223	137,479	41,175	191,760
Carrying amount					
At 31 March 2019	48,180	25,527	43,251	27,691	144,649
At 31 March 2018	49,037	28,802	51,708	37,609	167,156

HILLVIEW LODGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

11 Tangible fixed assets (Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2019 £	2018 £
Motor vehicles	14,802	19,737

Included in land and buildings is freehold land at a cost of £11,200 (2018 - £11,200) which is not depreciated.

12 Investment property

	2019 £
Fair value	
At 1 April 2018	132,097
Additions through external acquisition	995,000
At 31 March 2019	1,127,097

The 2019 valuations were made by the director, taking into account external valuations carried out by McLernon Estate Agents & Valuers, on an open market value for existing use basis.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2019 £	2018 £
Cost	1,173,552	178,552
Carrying amount	1,173,552	178,552

13 Financial instruments

	2019 £	2018 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	2,624,805	2,317,242
Carrying amount of financial liabilities		
Measured at amortised cost	609,195	286,503

HILLVIEW LODGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

14 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	267,480	435,972
Other debtors	2,349,344	1,875,046
Prepayments and accrued income	18,314	21,767
	<u>2,635,138</u>	<u>2,332,785</u>

15 Creditors: amounts falling due within one year

	Notes	2019 £	2018 £
Obligations under finance leases	18	4,112	4,112
Other borrowings	17	251,109	-
Trade creditors		33,430	29,293
Corporation tax		65,727	188,717
Other taxation and social security		59,799	46,239
Other creditors		211,879	181,724
Accruals and deferred income		97,769	56,441
		<u>723,825</u>	<u>506,526</u>

Obligations under finance leases are secured on the assets acquired.

16 Creditors: amounts falling due after more than one year

	Notes	2019 £	2018 £
Obligations under finance leases	18	10,896	14,933

Obligations under finance leases are secured on the assets acquired.

17 Loans and overdrafts

	2019 £	2018 £
Loans from related parties	251,109	-
	<u>251,109</u>	<u>-</u>
Payable within one year	251,109	-
	<u>251,109</u>	<u>-</u>

HILLVIEW LODGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

18 Finance lease obligations

	2019 £	2018 £
Future minimum lease payments due under finance leases:		
Within one year	4,112	4,112
In two to five years	10,896	14,933
	<u>15,008</u>	<u>19,045</u>

19 Provisions for liabilities

	Notes	2019 £	2018 £
Deferred tax liabilities	20	529	5,340
		<u>529</u>	<u>5,340</u>

20 Deferred taxation

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

	Liabilities 2019 £	Liabilities 2018 £
Balances:		
Accelerated capital allowances	6,331	8,282
Other timing	(5,802)	(2,942)
	<u>529</u>	<u>5,340</u>
Movements in the year:		2019 £
Liability at 1 April 2018		5,340
Credit to profit or loss		(4,811)
Liability at 31 March 2019		<u>529</u>

HILLVIEW LODGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

21 Retirement benefit schemes

	2019	2018
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	37,572	29,652

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. In the prior year, contributions totalling £2,055 were payable to the fund at the balance sheet date.

22 Share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100

23 Profit and loss reserves

The profit and loss account represents the retained earnings of the company that are available for distribution.

24 Operating lease commitments

Lessee

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

	2019	2018
	£	£
Within one year	6,000	6,000
Between two and five years	18,000	24,000
	24,000	30,000

HILLVIEW LODGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

25 Related party transactions

Mrs B Kiernan O'Donnell, director and shareholder, is a director and majority shareholder in Springlawn House Limited and Knockmoyle Lodge Limited, companies incorporated in Northern Ireland. Mrs B Kiernan O'Donnell is also a director and shareholder in College View Limited, a company incorporated in Ireland.

Springlawn House Limited

At the balance sheet date £208,013 (2018 - £178,065) was due to Springlawn House Limited. The balance is repayable on demand and no interest is charged on outstanding amounts.

During the year Springlawn House Limited charged Hillview Lodge Limited £14,313 (2018 - £14,043) for the preparation and supply of meals to Glen Caring Services, a domiciliary care unit operating within Hillview Lodge Limited. In addition, Springlawn House Limited charged Hillview Lodge Limited £15,636 (2018 - £Nil) for the recharge of staff costs.

Knockmoyle Lodge Limited

Knockmoyle Lodge Limited owns a property which is occupied by Hillview Lodge Limited. Rentals charged to Hillview Lodge Limited during the year ended 31 March 2019 amounted to £75,000 (2018 - £75,000). In the opinion of the director the amount payable in the current year in relation to rentals reflects an open market value.

During the year, Hillview Lodge Limited charged Knockmoyle Lodge Limited £51,080 (2018 - £43,314) for the preparation and supply of meals for the residents of Hillcrest Care Facility, a nursing home operating within Knockmoyle Lodge Limited. An amount of £17,007 (2018 - £27,636) was also recharged to Knockmoyle Lodge Limited, in relation to electricity costs incurred by Hillcrest Care Facility during the year.

In addition, an amount of £978 was recharged from Knockmoyle Lodge Limited to Hillview Lodge Limited in relation to water rates (2018 - £9,350 recharged to Knockmoyle Lodge Limited).

These charges arise due to the fact that Hillview Lodge Limited and Hillcrest Care Facility share the same site.

At the balance sheet date £686,164 (2018 - £714,279) was due from Knockmoyle Lodge Limited. The balance is repayable on demand and no interest is charged on outstanding amounts.

College View Limited

During the year, College View Limited advanced amounts totalling £251,109 (2018 - £Nil) to the company. The balance is repayable on demand and no interest is charged on outstanding amounts.

Key management personnel

Key management includes the company secretary and other members of the company management. Salaries totalling £105,000 (2018 - £92,890) were paid to key management personnel during the year.

HILLVIEW LODGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

26 Directors' transactions

Dividends totalling £0 (2018 - £5,000) were paid in the year in respect of shares held by the company's directors.

The director owns 50% of one of the properties occupied by the company. During the year rent of £15,000 (2018 - £15,000) was charged to the company by the director for use of the property.

During the year Hillview Lodge Limited purchased land from the director for consideration of £495,000. Additionally Hillview Lodge Limited purchased six investment properties from the director for consideration of £995,000. These amounts represent the market value of the land and properties.

During the year the company made payments of £1,158,899 (2018 - £165,356) on behalf of the director. In addition, the director made personal drawings of £335,706 (2018 - £325,000). Repayments totalling £1,490,000 (2018 - £68,029) were made by the director during the year.

At the year end the director owed the company £886,102 (2018 - £881,497).

There are no terms of interest or other conditions associated with the director's current account and it is considered to be repayable on demand.

27 Ultimate controlling party

The company was under the control of Mrs B Kiernan O'Donnell throughout the current and prior year. Mrs B Kiernan O'Donnell is the managing director and sole shareholder.

28 Cash generated from operations

	2019 £	2018 £
Profit for the year after tax	235,901	210,865
Adjustments for:		
Taxation charged	59,615	53,378
Finance costs	781	643
Investment income	(2,964)	(2,024)
Loss on disposal of tangible fixed assets	17,238	-
Depreciation and impairment of tangible fixed assets	24,605	24,439
Movements in working capital:		
Decrease in debtors	182,869	275,274
Increase/(decrease) in creditors	89,180	(99,269)
Cash generated from operations	607,225	463,306