

Gentoo Care Limited

Financial statements for the year ended 31 March 2016

Registered number: 07728134

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Director's report for the year ended 31 March 2016

The director presents his report and the audited financial statements of Gentoo Care Limited for the year ended 31 March 2016.

Directors and their interests

The directors who held office during the year were as follows:

Simon Walker (resigned 24 February 2016)
Stephen Lanaghan (appointed 24 February 2016)

The directors did not hold any shares in the Company during the year.

Principal activities

The Company's principal activities during the year were residential care activities for the elderly and disabled.

Proposed dividend

The director does not recommend the payment of a dividend.

Results for the year

The results for the year are set out on page 7.

Political contributions

The Company made £nil (2015: £nil) political donations and incurred £nil (2015: £nil) political expenditure during the year.

Disclosure of information to auditor

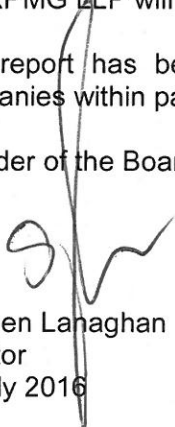
The director who held office at the date of approval of this Director's Report confirms that, so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware; and the director has taken all of the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

By order of the Board:


Stephen Lanaghan
Director
27 July 2016

Emperor House
2 Emperor Way
Doxford International Business Park
Sunderland
SR3 3XR

Statement of director's responsibilities in respect of the Director's Report and the Financial Statements

The director is responsible for preparing the Director's 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 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 director must not approve the financial statements unless he 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 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; and
- 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 him to ensure that the financial statements comply with the Companies Act 2006. The director has general responsibility for taking such steps as are reasonably open to him to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the Gentoo Group's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



KPMG LLP
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

Independent auditor's report to the members of Gentoo Care Limited

We have audited the financial statements of Gentoo Care Limited for the year ended 31 March 2016 set out on pages 7 to 15. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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.

Respective responsibilities of directors and auditor

As explained more fully in the Director's Responsibilities Statement set out on page 4, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its result for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Gentoo Care Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, 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; or
- the director was not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Mick Thompson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

3 August 2016


Profit and loss account and other comprehensive income
 for the year ended 31 March 2016

	Note	2016	2015
		£	£
Turnover	2	523,794	289,679
Cost of sales		(523,974)	(289,679)
Surplus on ordinary activities before taxation	3 - 4	-	-
Tax on surplus on ordinary activities	5	-	-
Surplus for the financial year		-	-
Other comprehensive income		-	-
Total comprehensive income for the year		-	-

Statement of financial position
 at 31 March 2016

	Note	2016 £	2015 £
Current assets			
Debtors	6	<u>15,850</u>	<u>62,226</u>
		15,850	62,226
Creditors: amounts falling due within one year	7	<u>(15,849)</u>	<u>(62,225)</u>
Net assets		<u>1</u>	<u>1</u>
Capital and reserves			
Called up share capital	8	1	1
Profit and loss account		-	-
Shareholder's funds		<u>1</u>	<u>1</u>

These financial statements from pages 7 to 15 were approved by the Director on 27 July 2016 and signed by:



Stephen Lanaghan
 Director

Registered number: 07728134

Statement of changes in equity

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 April 2014	1	-	1
Total comprehensive income for the period			
Profit	-	-	-
Balance at 31 March 2015	<u>1</u>	<u>-</u>	<u>1</u>
Balance at 1 April 2015	1	-	1
Total comprehensive income for the period			
Profit	-	-	-
Balance at 31 March 2016	<u>1</u>	<u>-</u>	<u>1</u>

Notes to the financial statements

For the year ended 31 March 2016

1. Accounting policies

Gentoo Care Limited (the “Company”) is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (“FRS 102”) as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling.

In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments. An explanation of how the transition to FRS 102 has affected financial position and financial performance of the Company is provided in note 11.

The Company’s parent undertaking, Gentoo Group Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Gentoo Group Limited are available to the public and may be obtained from Emperor House, 2 Emperor Way, Doxford International Business Park, Sunderland, Tyne and Wear, SR3 3XR. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period; and
- Cash Flow Statement and related notes.

As the consolidated financial statements of Gentoo Group Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 102 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

Notes to the financial statements (continued)

For the year ended 31 March 2016

1. Accounting policies (continued)

1.2 Going concern

The Company's business activities are set out in the Director's Report on page 3.

The Company meets its day to day working capital requirements through Group funding. The Company has received assurances from Group that this funding will continue to be made available so as to allow the company to meet their liabilities as they fall due, for the twelve month period following approval of these financial statements, and thereafter for the foreseeable future. Therefore, the director believes that the company is well placed to manage its business risks successfully despite the economic uncertainty.

After making enquiries, the director has a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to prepare the financial statements on a going concern basis.

1.3 Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.4 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Notes to the financial statements (continued)

For the year ended 31 March 2016

1. Accounting policies (continued)

1.5 Impairment

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

1.6 Turnover

Turnover relates to the service provision of assessed care and support for residents in Cherry Tree and Haddington Vale extra care and is invoiced on a weekly basis.

1.7 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Notes to the financial statements (continued)

For the year ended 31 March 2016

1. Accounting policies (continued)

1.7 Taxation (continued)

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

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

2. Turnover

The turnover, all of which arises in the UK, is attributable to the provision of residential care activities for the elderly and disabled.

3. Expenses and auditor's remuneration

The auditor's remuneration of £2,118 (2015: £2,052) is borne by the Group.

4. Staff numbers and costs

The company has no employees other than the director, who did not receive any remuneration. They are remunerated by Gentoo Group, another group company.

5. Taxation

Recognised in the profit and loss account

	2016	2015
	£	£
<i>UK corporation tax</i>		
Current tax on surplus for the period	-	-
Total current tax	-	-
	<hr/>	<hr/>
Tax on surplus / (deficit) on ordinary activities	-	-
	<hr/>	<hr/>

The current tax charge for the year is equal (2015: equal) to the UK standard corporation tax rate of 20% (2015: 21%).

Notes to the financial statements (continued)

For the year ended 31 March 2016

6. Debtors

	2016	2015
	£	£
Amounts owed by group undertakings	5,430	62,226
Prepayments and accrued income	10,420	-
	15,850	62,226

7. Creditors: amounts falling due within one year

	2016	2015
	£	£
Accruals and deferred income	15,849	62,225
	15,849	62,225

8. Called up share capital

	2016	2015
	£	£
Allotted, called up and fully paid		
1 ordinary share of £1	1	1

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

9. Related parties

Identity of related parties with which the Company has transacted.

The Company is a wholly owned subsidiary of Gentoo Group Limited. The receivable balance outstanding within the financial statements therefore relates to Gentoo Group's debtor balance with the Company.

10. Ultimate parent undertaking

The Company is a subsidiary undertaking of Gentoo Group Limited which is the ultimate controlling party. This is the only group in which the results of the company are consolidated. The consolidated financial statements of Gentoo Group Limited are available to the public and can be obtained from the Company Secretary, Gentoo Group Limited, Emperor House, 2 Emperor Way, Doxford International Business Park, Sunderland, SR3 3XR.

Notes to the financial statements (*continued*)

For the year ended 31 March 2016

11. Explanation of transition to FRS 102 from old UK GAAP

As stated in note 1, these are the Company's first financial statements prepared in accordance with FRS 102.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2016 and the comparative information presented in these financial statements for the year ended 31 March 2015 and in preparation of an opening FRS 102 balance sheet at 1 April 2014 (the Company's date of transition).

In preparing its FRS 102 balance sheet, there were no recognition or measurement adjustments as a result of transition to FRS 102.