

COMPANY REGISTRATION NUMBER: 02235823

Tri-Care Limited

Directors' Report and Financial Statements

29 September 2019



Tri-Care Limited

Financial Statements

Year ended 29 September 2019

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Tri-Care Limited

Officers and Professional Advisers

The board of directors	D Johnson HW Knight
Registered office	The Hamlet Hornbeam Park Harrogate North Yorkshire HG2 8RE
Auditor	RSM UK Audit LLP Suite A, 7 th Floor East West Building 2 Tollhouse Hill Nottingham NG1 5FS
Bankers	National Westminster Bank plc 8 Market Place Huddersfield HD1 2AL
Solicitors	Pinsent Masons LLP 1 Park Row Leeds LS1 5AB

Tri-Care Limited

Directors' Report

Year ended 29 September 2019

The directors present their report and the financial statements of the Company for the year ended 29 September 2019.

Principal activity

The Company's principal activity for part of the period was that of operating care homes. However, on 5 February 2018 it transferred its care home operations to a new operator and subsequently wound up its trade.

The Company owns the freehold to two blocks of flats with long leaseholds in place. The Company provides services such as maintenance of communal areas under the leases and the lessees are obliged to pay a service charge for these services. The Company is identifying a purchaser for the freehold since provision of a service charge by a Company with no employees or trade is not cost effective.

Directors

The directors who served the Company during the period were as follows:

D Johnson	
HW Knight	(appointed 1 May 2020)
L Lee	(resigned 1 May 2020)
TA Brookes	(resigned 4 October 2019)

Auditor

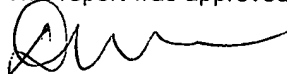
RSM UK Audit LLP were appointed as auditors during the year, and have indicated their willingness to continue in office. They will therefore be deemed reappointed as auditors in the absence of a general meeting.

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

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

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 29/4/21 and signed on its behalf by:



D Johnson
Director

Registered office:
The Hamlet
Hornbeam Park
Harrogate
North Yorkshire
HG2 8RE

Tri-Care Limited

Statement of Directors' Responsibilities in Respect of the Directors' Report and the Financial Statements

Year ended 29 September 2019

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law 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;
- 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.

As described in note 3 the financial statements are not prepared on a going concern basis.

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.

Independent Auditor's Report to the Members of Tri-Care Limited

Opinion

We have audited the financial statements of Tri-Care Limited (the 'company') for the year ended 29 September 2019 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, 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 29 September 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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.

Emphasis of matter – Non-going concern basis of accounting

We draw attention to note 3 of the financial statements which describes the preparation of the financial statements on a non-going concern basis. As described in note 3, the directors completed the disposal of the company's trade in 2018, and do not intend to secure a replacement trade. They have therefore concluded that it is no longer appropriate to prepare the financial statements on a going concern basis. No adjustments were made to the financial statements as a result of the application of the non-going concern basis of accounting. Our opinion is not modified in respect of this matter.

Other information

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

Independent Auditor's Report to the Members of Tri-Care Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

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

We have nothing to report in respect of the following matters in relation to which 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 directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are 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 directors determine 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 directors are 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 directors either intend to liquidate the company or to cease operations, or have 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.

Independent Auditor's Report to the Members of Tri-Care Limited (continued)

Use of our report

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.

RSM UK Audit LLP

Richard King FCA (Senior Statutory Auditor)
for and on behalf of RSM UK Audit LLP, Statutory Auditor
Suite A,
7th Floor
East West Building

2 Tollhouse Hill
Nottingham
NG1 5FS

29 April 2021

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Tri-Care Limited

Statement of Comprehensive Income

Year ended 29 September 2019

		2019	2018
	Note	£	£
Turnover	4	41,669	5,139,192
Cost of sales		-	(3,391,461)
Gross profit		42,019	1,747,731
Administrative expenses		7,458,281	1,907,034
Operating profit	5	7,499,950	3,654,765
Interest payable and similar charges	6	(341)	(4,023)
Profit before taxation		7,499,609	3,650,742
Tax on profit on ordinary activities	9	-	-
Profit for the financial year and total comprehensive income		7,499,609	3,650,742

All the activities of the company are from discontinued operations.

The notes on pages 9 to 13 form part of these financial statements.

Tri-Care Limited

Balance Sheet

29 September 2019

	Note	2019 £	2018 £
Current assets			
Debtors	10	—	100,824
Cash at bank and in hand		398	34,321
		<u>398</u>	<u>135,145</u>
Creditors: amounts falling due within one year	11	(284,866)	(7,919,222)
Net current liabilities and net liabilities		<u>(284,468)</u>	<u>(7,784,077)</u>
Capital and reserves			
Called up share capital	13	375,002	375,002
Profit and loss account	14	(659,470)	(8,159,079)
Shareholders' deficit		<u>(284,468)</u>	<u>(7,784,077)</u>

These financial statements were approved by the board of directors and authorised for issue on 29/4/21, and are signed on behalf of the board by:



D Johnson
Director

Company registration number: 02235823

The notes on pages 9 to 13 form part of these financial statements.

Tri-Care Limited

Statement of Changes in Equity

Year ended 29 September 2019

	Called up share capital £	Profit and loss account £	Total £
At 1 March 2017	375,002	(11,809,821)	(11,434,819)
Profit for the year	—	3,650,742	3,650,742
Total comprehensive income for the year	—	3,650,742	3,650,742
At 29 September 2018	375,002	(8,159,079)	(7,784,077)
Profit for the year	—	7,499,609	7,499,609
Total comprehensive income for the year	—	7,499,609	7,499,609
At 29 September 2019	375,002	(659,470)	(284,468)

The notes on pages 9 to 13 form part of these financial statements.

Tri-Care Limited

Notes to the Financial Statements

Year ended 29 September 2019

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is The Hamlet, Hornbeam Park, Harrogate, North Yorkshire, HG2 8RE.

2. Statement of compliance

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").

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, and are presented in sterling, which is also the functional currency of the entity.

Going concern - financial statements prepared on a non-going concern basis

In the previous year, the Company transferred its care home operations to a new operator and subsequently wound up its trade.

As the directors do not intend to acquire a replacement trade or continue existing operations the directors have not prepared the financial statements on a going concern basis. No adjustments were necessary as the financial statements were also not prepared on a going concern basis in the previous financial year.

Disclosure exemptions

The Company's ultimate parent undertaking, Cortina Race LLP includes the Company in its consolidated financial statements. The consolidated financial statements of Cortina Race LLP are prepared in accordance with Financial Reporting Standard 102 applicable in the UK and Republic of Ireland and are available to the public and may be obtained from 21 Palmer Street, London, SW1H 0AD. In these financial statements, the company is considered to be a qualifying entity (for the purposes of the FRS) and has applied the exemptions available under FRS 102 in the respect of the following disclosures:

- Financial instruments disclosures;
- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

Judgements and key sources of estimation uncertainty

Estimates and judgements are regularly evaluated and are based on experience and future expectations of current events.

Revenue recognition

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting year provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Tri-Care Limited

Notes to the Financial Statements *(continued)*

Year ended 29 September 2019

3. Accounting policies *(continued)*

Income tax

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

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the year in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Turnover

Turnover is attributable to the principal activity of the company, which is wholly undertaken in the United Kingdom, and relates to the rendering of services.

5. Operating profit

Operating profit is stated after charging/(crediting):

	2019 £	2018 £
Fees payable for the audit of the financial statements	–	13,000
Waiver of amounts owed to group undertakings	(7,523,250)	–
Operating lease rentals - land and buildings	–	(3,240,178)
	<u> </u>	<u> </u>

6. Interest payable and similar charges

	2019 £	2018 £
Interest paid on bank loans and overdrafts	<u>341</u>	<u>4,023</u>

Tri-Care Limited

Notes to the Financial Statements *(continued)*

Year ended 29 September 2019

7. Staff costs

The average number of persons employed by the company during the period, including the directors, amounted to:

	2019 No.	2018 No.
Number of care staff	–	195

The aggregate payroll costs incurred during the period, relating to the above, were:

	2019 £	2018 £
Wages and salaries	–	2,414,605
Social security costs	–	153,845
Other pension costs	–	18,740
	–	2,587,190

8. Directors' remuneration

No directors' remuneration is receivable by the directors for their services to this company in the current period or prior year. Directors' remuneration is borne by fellow group companies and £nil (2018: £57,198) has been allocated for the directors' time to the company based on number of beds across the group.

9. Tax on profit on ordinary activities

There was no charge to current or deferred taxation in either the current period or prior year.

Factors affecting tax for the period

The tax assessed on the loss on ordinary activities for the period is higher than (2018: higher than) the standard rate of corporation tax in the UK of 19% (2018: 19%).

	2019 £	2018 £
Profit on ordinary activities before taxation	7,499,609	3,651,376
Profit on ordinary activities by rate of tax	1,424,926	693,761
Effect of (income not chargeable)/expenses not deductible for tax purposes	(1,429,418)	(615,634)
Utilisation of tax losses brought forward	–	(78,127)
Deferred tax not recognised	4,492	–
Tax on profit	–	–

A reduction in the corporation tax rate to 17% from April 2020 was substantively enacted on 6 September 2016. Unrecognised deferred tax assets in respect of losses, short term timing differences and fixed asset timing differences amounted to £87,886 (2018: £83,394) and have not been recognised in the financial statement as there is uncertainty over the availability or timing of future taxable profits.

Tri-Care Limited

Notes to the Financial Statements *(continued)*

Period ended 29 September 2019

10. Debtors

	2019	2018
	£	£
Trade debtors	–	100,824
	<u>–</u>	<u>100,824</u>

11. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	13,390	10,595
Amounts owed to group undertakings	147,569	7,736,484
Accruals and deferred income	13,000	–
Corporation tax	100,093	100,093
Other creditors	10,814	72,050
	<u>284,866</u>	<u>7,919,222</u>

Amounts owed to group undertakings do not accrue interest and are repayable on demand.

12. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £nil (2018: £18,740). Contributions totalling £nil (2018: £nil) were payable to the fund at the period end.

13. Called up share capital

Issued, called up and fully paid

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>375,002</u>	<u>375,002</u>	<u>375,002</u>	<u>375,002</u>

14. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

15. Related party transactions

As permitted by the exemption allowed under FRS 102 Section 33, transactions with wholly owned group member companies are not disclosed. There were no transactions in the current or previous period.

Tri-Care Limited

Notes to the Financial Statements *(continued)*

Period ended 29 September 2019

16. Controlling party

The company is a subsidiary undertaking of Cortina Race LLP. The ultimate controlling party is Alchemy Special Opportunities Fund III LP.

The largest group in which the results of the Company are consolidated is that headed by Cortina Race LLP, incorporated in the United Kingdom. These consolidated financial statements are available to the public and may be obtained from Companies House.