

**RICHMOND NORTHAMPTON LIMITED**

**Registered Number: 05205197**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED**

**31 DECEMBER 2020**



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## Directors' report

The Directors present their annual report and the financial statements of Richmond Northampton Limited ("the Company") for the year ended 31 December 2020.

### Principal activities

The principal activity of the company is a holding and investment company. The Company, together with fellow UK subsidiary undertakings of The British United Provident Association Limited ("Bupa"), with similar activities, form Bupa Care Services ("BCS").

### Results

The profit for the year, after taxation, amounted to £39,000 (2019: £39,000). The Company had net assets of £2,399,000 (2019: £2,360,000).

### Dividends

The Directors do not recommend the payment of a dividend for the year (2019: £nil).

### Going concern

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of COVID-19, the Company will have sufficient funds, through funding from its immediate parent company, Bupa Finance plc, to meet its liabilities as they fall due for that period.

The Directors have prepared cash flow forecasts collectively for the entities which make up 'Bupa Care Services business' for a period of 12 months from the date of approval of these financial statements which indicate that, collectively, the Bupa Care Services business may require the financial support of the Bupa Group.

Whilst those forecasts are not specific to individual entities, in considering the contribution of the Company to the Bupa Care Services combined business, the Directors have concluded the Company is dependent on Bupa Finance plc providing additional financial support during that period.

Bupa Finance plc has indicated its intention to continue to make available such funds as are needed by the Company, and that it does not intend to seek repayment of the amounts due at the balance sheet date from the Company due to other entities in the group headed by Bupa Finance plc, for the period covered by the forecasts. The Directors have considered the impact of the COVID-19 pandemic on the ability of Bupa Finance plc to provide the financial support required by the Company. Bupa Finance plc's going concern status has been considered and, based on its current position, forecast results and solvency capital, it has been concluded that Bupa Finance plc has adequate resources to provide such support to the Company as necessary. Therefore, the Directors are confident that Bupa Finance plc can provide financial support up to the level required for at least the next 12 months.

As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

## **Directors' report (continued)**

### **International financial reporting standards and financial reporting requirements**

The ultimate parent undertaking, The British United Provident Association ("Bupa"), has prepared group accounts in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). The Company is not required to report under IFRS and therefore these accounts are prepared in accordance with applicable UK accounting standards. As the Company is a wholly owned subsidiary undertaking of Bupa, the Company qualifies for application of Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"), which has been adopted for these financial statements. FRS 101 uses the recognition and measurement bases of IFRS, while allowing exemptions from a number of disclosures required by full IFRS.

### **Directors**

Details of the present Directors and any other persons who served as a Director during the year are set out below:

M Harrison  
Bupa Secretaries Limited

Bupa Secretaries Limited is the Company Secretary.

### **Companies (audit, investigations and community enterprise) act 2004**

As at the date of this report, indemnities are in force under which the Company has agreed to indemnify the Directors, to the extent permitted by law and the Company's Articles of Association, in respect of all losses arising out of, or in connection with, the execution of their powers, duties and responsibilities, as Directors of the Company.

### **Energy use and emissions data**

In the Group's 2020 Annual Report, we published data on UK energy use and emissions for 2020. Further global performance data for 2020 (and 2019) and our future targets will be published during 2021. The Group has reported in line with the Streamlined Energy and Carbon Reporting (SECR) requirements of a large unquoted UK company for the first time and reported our emissions for UK only. As we progress the external audit by the Carbon Trust of our other markets during 2021, we will publish the remainder of the 2020 global emissions data from our other markets across the group on bupa.com. We will also confirm 2019 global data once this too has been fully audited. In the next Annual Report we plan to report in line with the SECR requirements of a quoted UK company, further adopt the Task Force on Climate-related Financial Disclosures (TCFD) requirements, and include our global footprint for 2021.

### **Statement of corporate governance arrangements**

The Group adheres to the policies and procedures adopted by the Bupa Group. Bupa complies with the UK Corporate Governance Code 2018 (Code) and ensures that its governance responsibilities under the Code are enacted effectively with relevant provisions and principles being applied throughout the Bupa Group.

## Directors' report (continued)

### Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' report confirm that:

- so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has taken all the 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 confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

### Auditor

In 2019, following a tender process led by the Bupa Audit Committee, the Bupa Board approved the appointment of PwC as the Group's External Auditor subject to approval by Bupa's Association Members at its 2021 AGM. Details of the tender process and decision are set out in the 2019 Bupa Audit Committee Report on page 23 of the 2019 Annual Report and Accounts.

PwC has been shadowing KPMG during its audit of Bupa's 2020 Annual Report and Accounts and, since December 2020, the PwC incoming lead audit partner has been attending Bupa Audit Committee and Bupa Risk Committee meetings as an observer. The Non-Audit Services Policy has applied to PwC since 1 January 2020 to ensure their independence at appointment.

The appointment of PwC is subject to approval by the Shareholder at the Company's 2021 annual general meeting. Thereafter, the Group intends to tender the external auditor appointment at least every ten years.

Registered Office:  
1 Angel Court  
London  
EC2R 7HJ

By Order of the Board



25 June 2021

Michael Harrison  
Director

## **Statement of directors' responsibilities in respect of the directors' report and the financial statements**

The Directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

# **Independent Auditor's Report to the Members of Richmond Northampton Limited**

## **Opinion**

We have audited the financial statements of Richmond Northampton Limited ("the company") for the year ended 31 December 2020 which comprise the profit and loss account and other comprehensive income, the balance sheet, the statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

## **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

## **Independent Auditor's Report to the Members of Richmond Northampton Limited (continued)**

### **Fraud and breaches of laws and regulations – ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud.

Our risk assessment procedures included:

- Enquiring of directors and an inspection of policy documentation as to Bupa Group's policies and procedures to prevent and detect fraud that apply to this group company as well as enquiring whether the directors have knowledge of any actual, suspected or alleged fraud;
- Reading board minutes;
- Considering remuneration incentive schemes and performance targets; and
- Using analytical procedures to identify unusual or unexpected relationships.

As required by auditing standards, and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, including: the risk that revenue is recorded in the wrong period and the risk that management may be in a position to make inappropriate accounting entries.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. In determining the audit procedures we have taken into account the results of our evaluation and we performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included journals posted to unusual accounts involving revenue.
- For a sample of revenue transactions around the period end, vouching to supporting external documentation to corroborate whether those items were recorded in the correct accounting period.

#### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards) and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, and certain aspects of company legislation, recognising the nature of the company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.



## **Independent Auditor's Report to the Members of Richmond Northampton Limited (continued)**

### **Fraud and breaches of laws and regulations – ability to detect (continued)**

*Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Strategic report and directors' report**

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

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

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **Independent Auditor's Report to the Members of Richmond Northampton Limited (continued)**

### **Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

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

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Clare Partridge (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
1 Sovereign Square  
Sovereign Street  
Leeds  
LS1 4DA

Date: 30 June 2021

**Profit and loss account and other comprehensive income**  
for the year ended 31 December 2020

	Note	2020 £'000	2019 £'000
Other interest receivable and similar income	4	48	48
<b>Profit before taxation</b>		48	48
Tax on ordinary activities	6	(9)	(9)
<b>Profit for the financial year</b>		39	39
<b>Total comprehensive income for the year</b>		39	39

All activities relate to discontinued operations.

## Balance sheet

as at 31 December 2020

	Note	2020 £'000	2019 £'000
<b>Fixed assets</b>			
Investments	7	2,451	2,403
<b>Creditors: amounts falling due within one year</b>	8	(52)	(43)
<b>Net current liabilities</b>		(52)	(43)
<b>Total assets less current liabilities</b>		2,399	2,360
<b>Net assets</b>		2,399	2,360
<b>Capital and reserves</b>			
Called up share capital	9	8,996	8,996
Profit and loss account		(6,597)	(6,636)
<b>Shareholders' funds</b>		2,399	2,360

These financial statements were approved by the Board of Directors and were signed on its behalf by:



**Michael Harrison**  
Director

Richmond Northampton Limited  
Registered number: 05205197

25 June 2021

The notes on pages 12 to 17 form part of these financial statements

## Statement of changes in equity for the year ended 31 December 2020

	Called up share capital £'000	Profit and loss account £'000	Total £'000
Balance at 1 January 2020	8,996	(6,636)	2,360
Profit for the year	-	39	39
<b>Balance as at 31 December 2020</b>	<b>8,996</b>	<b>(6,597)</b>	<b>2,399</b>
	Called up share capital £'000	Profit and loss account £'000	Total £'000
Balance at 1 January 2019	8,996	(6,675)	2,321
Profit for the year	-	39	39
<b>Balance as at 31 December 2019</b>	<b>8,996</b>	<b>(6,636)</b>	<b>2,360</b>

The notes on pages 12 to 17 form part of these financial statements

## Notes to the financial statements

### 1. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Basis of preparation

The financial statements have been prepared on a going concern basis and under the historical cost convention, as modified by the revaluation of land and buildings, in accordance with applicable UK accounting standards.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of IFRS, but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

#### (b) Exemptions from the requirements of IFRS

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A cash flow statement and related notes;
- Comparative period reconciliations for investments;
- Disclosures in respect of transactions with wholly owned subsidiaries within the consolidated group;
- Disclosures in respect of capital management;
- An additional balance sheet for the beginning of the earliest comparative period following the transition to FRS 101;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

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

As the consolidated financial statements of Bupa (note 3) include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- The disclosures required by IFRS 7 and IFRS 13 regarding financial instrument disclosures have not been provided apart from those which are relevant for the financial instruments which are held at fair value and are not either held as part of trading portfolio or derivatives.

## Notes to the financial statements (continued)

### 1. Accounting policies (continued)

#### (c) New standards, amendments and IFRIC interpretations

The following financial reporting standards, amendments and interpretations have been issued but are not effective for the year ended 31 December 2020 and have not been early adopted by the Company. They are not expected to have a significant impact when they are effective.

- IFRS 17 – Insurance Contracts
- IAS 1, 16 and 37 amendments
- IFRS 1, 3 and 9 amendments
- IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 interest rate benchmark reform

#### (d) Exemption from consolidation

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its Group.

#### (e) Going concern

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of COVID-19, the Company will have sufficient funds, through funding from its immediate parent company, Bupa Finance plc, to meet its liabilities as they fall due for that period.

The Directors have prepared cash flow forecasts collectively for the entities which make up 'Bupa Care Services business' for a period of 12 months from the date of approval of these financial statements which indicate that, collectively, the Bupa Care Services business may require the financial support of the Bupa Group.

Whilst those forecasts are not specific to individual entities, in considering the contribution of the Company to the Bupa Care Services combined business, the Directors have concluded the Company is dependent on Bupa Finance plc providing additional financial support during that period.

Bupa Finance plc has indicated its intention to continue to make available such funds as are needed by the Company, and that it does not intend to seek repayment of the amounts due at the balance sheet date from the Company due to other entities in the group headed by Bupa Finance plc, for the period covered by the forecasts. The Directors have considered the impact of the COVID-19 pandemic on the ability of Bupa Finance plc to provide the financial support required by the Company. Bupa Finance plc's going concern status has been considered and, based on its current position, forecast results and solvency capital, it has been concluded that Bupa Finance plc has adequate resources to provide such support to the Company as necessary. Therefore, the Directors are confident that Bupa Finance plc can provide financial support up to the level required for at least the next 12 months.

As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

#### (f) Interest income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

## Notes to the financial statements (continued)

### 1. Accounting policies (continued)

#### (g) Taxation and deferred taxation

The taxation expense on the profit for the year comprises current and deferred taxation. Income taxation is recognised in the profit and loss account except to the extent that it relates to items recognised directly in other comprehensive income, in which case it is recognised directly in the statement of comprehensive income.

Current taxation is the expected taxation payable on the taxable profit for the year, using taxation rates enacted or substantively enacted at the balance sheet date, and any adjustments to taxation payable in respect of previous years.

Deferred taxation is recognised in full using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not recognised: goodwill not deductible for taxation purposes and the initial recognition of an asset or liability in a transaction that is not a business combination and which, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The amount of deferred taxation recognised is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using taxation rates enacted or substantively enacted at the balance sheet date.

Deferred taxation is recognised on temporary differences arising on investments in subsidiary companies, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred taxation asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Trading losses surrendered to other Bupa Group subsidiary undertakings are made on a full payment basis.

#### (h) Share capital

Ordinary shares are classified as equity.

### 2. Immediate and ultimate parent company

The immediate parent undertaking of the Company is Richmond Care Villages Holdings Limited, with its registered office at 1 Angel Court, London, EC2R 7HJ.

The ultimate parent undertaking of the Company, and the largest group into which these financial statements are consolidated, is Bupa, with its registered office at 1 Angel Court, London, EC2R 7HJ. The smallest group into which these financial statements are consolidated is that headed by Bupa Finance plc, with its registered office at 1 Angel Court, London, EC2R 7HJ.

Copies of the accounts of all companies can be obtained from The Registrar of Companies, Cardiff, CF14 3UZ.



## Notes to the financial statements (continued)

### 3. Staff costs and directors' remuneration

#### (i) Staff costs

There were no staff costs for the year ended 31 December 2020 (2019: £nil).

#### (ii) Directors' remuneration

The emoluments of the Directors are borne entirely by other Group companies. The value of the qualifying services provided by the Directors to the Company during the year was £nil (2019: £nil).

There were no staff costs for the year ended 31 December 2020 (2019: £nil).

### 4. Other interest receivable and similar income

	2020 £'000	2019 £'000
Bupa group undertakings	48	48

### 5. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2020 £'000	2019 £'000
Fees payable to the Company's auditor for the audit of the Company's annual accounts	2	2

Fees for the audit of the Company represent the amount receivable by the Company's auditor. The amount is not borne by the Company.

### 6. Tax on profit on ordinary activities

#### (i) Tax included in profit or loss

	2020 £'000	2019 £'000
UK corporation tax on profit for the year	9	9
<b>Total tax charge on profit on ordinary activities</b>	<b>9</b>	<b>9</b>

#### (ii) Reconciliation of effective tax rate

	2020 £'000	2019 £'000
Profit on ordinary activities before taxation	48	48
Tax on profit on ordinary activities at standard UK corporation tax rate of 19% (2019: 19%)	9	9
<b>Total tax charge on profit on ordinary activities</b>	<b>9</b>	<b>9</b>

## Notes to the financial statements (continued)

### 7. Investments

	Subsidiary undertakings £'000	Loan to group undertaking £'000	Total £'000
<b>Cost or valuation</b>			
At 1 January 2020	9,002	2,397	11,399
Additions	-	48	48
At 31 December 2020	9,002	2,445	11,447
<b>Impairment</b>			
At 1 January 2020	8,996	-	8,996
Charge for the year	-	-	-
At 31 December 2020	8,996	-	8,996
<b>Net Book Value</b>			
At 31 December 2020	6	2,445	2,451
At 31 December 2019	6	2,397	2,403

### Related undertakings

In compliance with section 409 of the Companies Act 2006, details of the related undertaking of the Company as at 31 December 2020, which is directly and wholly owned and has its registered office at 1 Angel Court, London, EC2R 7HJ is disclosed below:

Name of undertaking	Share class
Richmond Letcombe Limited	Ordinary

### Loan to Bupa group undertakings

Amounts owed by Bupa group undertakings after one year are repayable as follows.

	Date issued	Repayment date	Interest rate	2020 £'000	2019 £'000
Richmond Villages Operations Limited	December 2014	On demand	Six months LIBOR plus 110 basis points	2,445	2,397

## Notes to the financial statements (continued)

### 8. Creditors – amounts falling due within one year

	2020 £'000	2019 £'000
Amounts owed to Bupa group undertakings	52	43

Amounts owed to Bupa group undertakings are unsecured, have no fixed date of repayment and are repayable on demand.

Trade debtors and creditors arising from the care home operations are collected and settled by other Bupa group undertakings. The working capital movements associated with the payments are settled through its intercompany current accounts with other Bupa group undertakings.

### 9. Called up share capital

	2020 £'000	2019 £'000
Allotted, called up and fully paid		
Equity interest		
8,995,798 (2019: 8,995,788) ordinary shares of £ 1 each	8,996	8,996

### 10. Contingent liabilities, guarantees and other financial commitments

#### (i) Contingent liabilities

There were no contingent liabilities at the end of either year.

#### (ii) Guarantees

The Company has no outstanding guarantees at the end of either year.

#### (iii) Financial commitments

The Company has no outstanding commitments at the end of either year.

#### (iv) Capital commitments

The Company has no outstanding capital commitments at the end of either year.

### 11. Related party transactions

The Company has applied the disclosure exemptions available under FRS 101 in respect of transactions with wholly owned subsidiaries within the consolidated group.

See note 3 for disclosure of the Directors' remuneration.