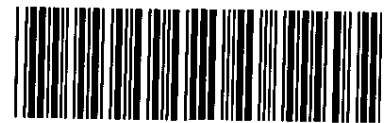


**GLENHOLME SPECIALIST HEALTHCARE  
(SOUTHERN REGION) LIMITED**

FINANCIAL STATEMENTS

31 MARCH 2022

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Glenholme  
Group

# **GLENHOLME SPECIALIST HEALTHCARE (SOUTHERN REGION) LIMITED**

(formerly GLENHOLME HEALTHCARE (NGC) LIMITED)

## **FINANCIAL STATEMENTS**

**YEAR TO 31 MARCH 2022**

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# **GLENHOLME SPECIALIST HEALTHCARE (SOUTHERN REGION) LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

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### **THE BOARD OF DIRECTORS**

K W Phippen  
D M Serratt  
G P Macalister  
S J McLaughlan

### **COMPANY SECRETARY**

S J McLaughlan

### **REGISTERED OFFICE**

79 High Street  
Eton  
Windsor  
Berkshire  
United Kingdom  
SL4 6AF

### **AUDITOR**

Kingly Brookes LLP  
Registered Auditors  
Chartered Accountants  
415 Linen Hall  
162 -168 Regent Street  
London  
W1B 5TE

# GLENHOLME SPECIALIST HEALTHCARE (SOUTHERN REGION) LIMITED

## STRATEGIC REPORT

YEAR ENDED 31 MARCH 2022

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The directors have pleasure in presenting their strategic review for the year to 31 March 2022.

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was the provision of care to patients with mental health, learning and physical disabilities. The company operates four residential homes, 2 in Byfleet and 2 in Brighton and a further three supported living services in Brighton..

The company continues to look for new opportunities in its principal activity in the geographical area it currently operates in.

### KEY PERFORMANCE INDICATORS

The company monitors its performance against strategic objectives by means of key performance indicators. The main KPIs it uses are orientated around gross profit margin and turnover. These are summarised thus:

	2022	2021
	£	£
Turnover	3,479,219	3,049,152
Gross profit %	26%	23%
Operating profit (prior to the revaluation)	594,467	275,335
Number of employees	85	82
Net assets	2,678,870	2,591,983
Residential beds (closing)	16	16
Supported living rooms	18	18
Occupancy (average)	26	25

### PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties that are facing the company are common for a company of this size. These are:

- (a) Covid 19 impact on both staff and residents
- (b) Deterioration in quality of care and support.
- (c) Difficult relationships with the relevant regulatory agencies.
- (d) Maintaining working capital sufficient to meet the needs of the group.
- (e) Miscalculating risk associated with new acquisition and new development project.
- (f) Retention and recruitment of staff for all skill levels required to maintain high levels of care.
- (g) Differential inflation caused by inflationary pressures in cost base not being matched by longer term contracts.

The company has successfully controlled and managed these risks by:

- (a) Stringent infection control procedures and staff isolation.
- (b) Internal Quality Audits.
- (c) Staff training and development program.
- (d) Regular service user, staff and relative surveys.
- (e) Continued evaluation of the cash flow needs of the Group.
- (f) Board level due diligence relating to ongoing operations and potential development activity.

### FUTURE DEVELOPMENTS

The company expects to improve its financial performance by a policy of controlled growth.

Approved by the directors on 15<sup>th</sup> September 2022 and signed on their behalf by:

  
KW Phippen  
Director

# **GLENHOLME SPECIALIST HEALTHCARE (SOUTHERN REGION) LIMITED**

## **DIRECTORS' REPORT**

**YEAR ENDED 31 MARCH 2022**

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The directors present their report and the financial statements of the company for the year ended 31 March 2022.

### **PRINCIPAL ACTIVITIES**

The principal activity of the company during the year was the provision of care to patients with mental health, learning and physical disabilities.

### **DIRECTORS**

The directors who served the company during the year were as follows:

K W Phippen  
D M Serratt  
G P Macalister  
S J McLaughlan

### **GOING CONCERN**

The directors have a reasonable expectation that the company has adequate resources to continue operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### **DIRECTORS RESPONSIBILITIES**

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 the directors have 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 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 year.

In preparing these financial statements, the directors are 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 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 him to ensure that the financial statements comply with the Companies Act 2006. They are 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.

# GLENHOLME SPECIALIST HEALTHCARE (SOUTHERN REGION) LIMITED

DIRECTORS' REPORT *continued*

YEAR ENDED 31 MARCH 2022

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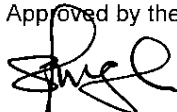
## STRATEGIC REPORT

The company has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out within the company's Strategic Report the Company's Strategic Report Information Required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review and details of the principal risks and uncertainties.

## AUDITOR

Glenholme Healthcare Group Ltd issued a guarantee against all outstanding liabilities to which the company is subject as at 31 March 2022, until they are satisfied in full. The guarantee is enforceable against Glenholme Healthcare Group Ltd by any person to whom the company is liable in respect of those liabilities. Since Glenholme Healthcare Group Ltd is the smallest group to which the company's accounts are consolidated the company has taken advantage of the exemption from audit of its individual accounts for the ended 31 March 2022 by virtue of section 479A of the Companies Act 2006.

Approved by the directors on 15<sup>th</sup> September 2022 and signed on their behalf by:



**S J McLaughlin**  
*Company Secretary*

Registered office:  
79 High Street  
Eton  
Windsor  
Berkshire  
SL4 6AF

**GLENHOLME SPECIALIST HEALTHCARE (SOUTHERN REGION) LIMITED****STATEMENT OF COMPREHENSIVE INCOME****YEAR ENDED 31 MARCH 2022**

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	Notes	2022 £	2021 £
<b>TURNOVER</b>		<b>3,479,219</b>	3,049,152
Cost of sales		<b>(2,555,291)</b>	(2,357,211)
<b>GROSS PROFIT</b>		<b>923,928</b>	691,941
Administrative expenses		<b>(329,561)</b>	(416,606)
Revaluation of investment properties		<b>(303,011)</b>	654,693
<b>OPERATING PROFIT</b>	<b>3</b>	<b>291,356</b>	930,028
Interest payable and similar charges	<b>5</b>	<b>(128,863)</b>	(134,421)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>162,493</b>	795,607
Tax on profit on ordinary activities	<b>6</b>	<b>(99,294)</b>	(169,842)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>63,199</b>	625,765
 <b>OTHER COMPREHENSIVE INCOME</b>			
Revaluation of fixed assets		<b>23,688</b>	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>86,887</b>	625,765

Turnover arose from the principal activity.

All the activities of the company are from continuing operations.

The notes on pages 8 to 14 form part of these financial statements.

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# GLENHOLME SPECIALIST HEALTHCARE (SOUTHERN REGION) LIMITED

## STATEMENT OF FINANCIAL POSITION

31 MARCH 2022

	Notes	£	2022 £	£	2021 £
<b>FIXED ASSETS</b>					
Tangible assets	7		6,935,013		7,287,775
Stock	8	2,127		2,500	
Debtors	9	212,919		175,726	
Cash at bank		263,864		433,048	
		478,910		611,274	
<b>CREDITORS: Amounts falling due within one year</b>	10	(946,168)		(1,323,201)	
			(467,258)		(711,927)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			6,467,755		6,575,848
<b>CREDITORS: Amounts falling due after more than one year</b>	11		(3,474,638)		(3,661,729)
Deferred taxation	12		(314,247)		(322,136)
<b>NET ASSETS</b>			2,678,870		2,591,983
<b>CAPITAL AND RESERVES</b>					
Called-up equity share capital	13		2,450		2,450
Revaluation reserve	14		1,555,570		1,825,833
Profit and loss account	15		1,120,850		763,700
<b>SHAREHOLDERS' FUNDS</b>			2,678,870		2,591,983

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 479A of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibility for complying with requirements of the Act with respect to accounting records and preparation of accounts.

These accounts were approved by the directors and authorised for issue on 17<sup>th</sup> September 2022, and are signed on their behalf by:



S J McLaughlan

Company Registration Number: 05757165

The notes on pages 8 to 14 form part of these financial statements.



# GLENHOLME SPECIALIST HEALTHCARE (SOUTHERN REGION) LIMITED

## STATEMENT OF CHANGES IN EQUITY

31 MARCH 2022

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	Called up share capital £	Revaluation Reserve £	Profit and Loss account £	Total £
<b>At 1 April 2020</b>	2,450	1,295,531	668,237	1,966,218
Profit for the financial year	-	-	571,963	571,963
Transfer between reserves	-	405,854	(405,854)	-
<b>At 31 March 2021</b>	2,450	1,825,833	763,700	2,591,983
Profit for the financial year	-	-	63,199	63,199
Revaluation in the year	-	23,688	-	23,688
Transfer between reserves	-	(293,951)	293,951	-
<b>At 31 March 2022</b>	2,450	1,555,570	1,120,850	2,678,870

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The notes on pages 8 to 14 form part of these financial statements.

# **GLENHOLME SPECIALIST HEALTHCARE (SOUTHERN REGION) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2022**

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### **1. STATEMENT OF COMPLIANCE AND COMPANY INFORMATION**

These financial statements have been prepared in compliance with FRS102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

Glenholme Specialist Healthcare (Southern Region) Limited is a private company, limited by shares and it is incorporated in England under the Companies Act 2006. The address of its registered office and principal place of business are disclosed on page 1.

### **2. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Disclosure exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Glenholme Healthcare Group Limited which can be obtained from Companies House. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.
- (c) No disclosure has been given for the aggregate remuneration of key management personnel.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### **Significant judgements**

There are no significant judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

##### **Key sources of estimation uncertainty**

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. There are no key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

#### **Revenue recognition**

Turnover is measured as the fair value of the consideration received or receivable for care provided, rents receivable and goods supplied, net of discounts and Value Added Tax where applicable.

#### **Current and deferred taxation**

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.

# **GLENHOLME SPECIALIST HEALTHCARE (SOUTHERN REGION) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2022**

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### **2 ACCOUNTING POLICIES *(continued)***

#### **Current and deferred taxation *(continued)***

Deferred tax has been recognised on all property revaluations as if the properties were sold at their revalued amount, the associated tax charge / credit has been charged to the revaluation reserve.

#### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

#### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Property	Over 50 years
Plant and machinery	3 years to 5 years on cost
Fixtures and fittings	3 years to 5 years on cost

#### **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### **Investment properties**

Investment properties are initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment properties are revalued to their fair value at each reporting date and any changes in fair value are recognised in profit or loss.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### **Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

# GLENHOLME SPECIALIST HEALTHCARE (SOUTHERN REGION) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

### 3 OPERATING PROFIT

Operating profit is stated after charging:

	2022 £	2021 £
Directors' remuneration	-	-
Depreciation of owned fixed assets	83,964	95,284
Accountant's fees	11,000	9,450

### 4 STAFF COSTS

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

	2022 No	2021 No
Care staff	82	82

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

	2022 £	2021 £
Wages and salaries	1,605,791	1,545,763
Social security costs	117,362	107,939
Pension – cost of defined contribution scheme	28,813	40,858
	1,751,966	1,694,560

No director who is not also a holding company director received any remuneration.

### 5. INTEREST PAYABLE AND SIMILAR CHARGES

	2022 £	2021 £
Bank loan interest	128,863	134,421

# GLENHOLME SPECIALIST HEALTHCARE (SOUTHERN REGION) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

### 6. TAX ON PROFIT ON ORDINARY ACTIVITIES

#### Major components of tax expense

	2022 £	2021 £
<b>Current tax</b>		
UK current tax expense	96,518	29,015
<b>Deferred tax</b>		
Origination and reversal of timing differences	11,836	16,436
On property revaluations	(9,060)	124,391
	<u>2,776</u>	<u>140,827</u>
	<u>99,294</u>	<u>169,842</u>

#### Reconciliation of tax expense

The tax assessed on the result on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 19% (2021: 19%).

	£	£
Profit on ordinary activities before taxation	<u>162,493</u>	<u>795,607</u>
Profit on ordinary activities at a rate of tax of 19% (2021: 19%)	30,873	151,165
Effect of depreciation on assets not eligible for allowances	7,645	18,085
Items not eligible for tax deduction	-	592
Effect of the deferred tax charged at 25%	60,776	-
	<u>99,294</u>	<u>169,842</u>

# GLENHOLME SPECIALIST HEALTHCARE (SOUTHERN REGION) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

### 7. TANGIBLE FIXED ASSETS

	Freehold Properties £	Investment Properties £	Fixtures, Fittings & Equipment £	Motor Vehicles £	Total £
<b>COST OR VALUATION</b>					
At 1 April 2021	3,206,963	4,028,011	230,584	87,859	7,553,417
Additions	-	-	21,190	-	21,190
Revaluation	(86,963)	(303,011)	-	-	(389,974)
Disposal	-	-	(2,129)	-	(2,129)
<b>At 31 Mar 2022</b>	<b>3,120,000</b>	<b>3,725,000</b>	<b>249,645</b>	<b>87,859</b>	<b>7,182,504</b>
<b>DEPRECIATION</b>					
At 1 April 2021	67,426	-	130,848	67,368	265,642
Charge for the year	32,560	-	43,724	7,680	83,964
Revaluation	(99,986)	-	-	-	(99,986)
Disposals	-	-	(2,129)	-	(2,129)
<b>At 31 Mar 2022</b>	<b>-</b>	<b>-</b>	<b>172,443</b>	<b>75,048</b>	<b>247,491</b>
<b>NET BOOK VALUE</b>					
<b>At 31 Mar 2022</b>	<b>3,120,000</b>	<b>3,725,000</b>	<b>77,202</b>	<b>12,811</b>	<b>6,935,013</b>
<b>At 31 Mar 2021</b>	<b>3,139,537</b>	<b>4,028,011</b>	<b>99,736</b>	<b>20,491</b>	<b>7,287,775</b>

The freehold and investment properties were valued by Eddisons Taylor, Chartered Surveyors on 5th December 2018 on an existing use open market basis. The directors have looked at the assumptions used in this valuation and believe the valuation to be a similar value as at 31<sup>st</sup> March 2022.

In respect of freehold properties stated at valuations, the comparable historical cost and depreciation values are as follows:

	2022 £	2021 £
Historical cost	2,363,800	2,363,800
Depreciation	(156,701)	(124,141)
	<u>2,207,100</u>	<u>2,239,659</u>
Depreciation charge in the year	<u>32,560</u>	<u>33,937</u>

### 8. STOCK

	2022 £	2021 £
Stock in hand	<u>2,127</u>	<u>2,500</u>

# GLENHOLME SPECIALIST HEALTHCARE (SOUTHERN REGION) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

### 9. DEBTORS

	2022 £	2021 £
Trade debtors	169,844	133,113
Other debtors	2,500	2,500
Prepayments	40,575	40,113
	<u>212,919</u>	<u>175,726</u>

### 10. CREDITORS: Amounts falling due within one year

	2022 £	2021 £
Bank loans and overdrafts	215,050	220,203
Trade creditors	31,376	-
Amounts due to parent company	660,325	1,059,645
Accruals	39,417	43,353
	<u>946,168</u>	<u>1,323,201</u>

### 11. CREDITORS: Amounts falling due after more than one year

	2022 £	2021 £
Bank loans and overdrafts	<u>3,474,638</u>	<u>3,661,729</u>

Analysis of bank loans is as follows:

	2022 £	2021 £
Due < 1 year	215,050	220,203
Due > 1 year and < 5 years	860,200	880,811
Due > 5 years	<u>2,614,438</u>	<u>2,780,918</u>
	<u>3,689,688</u>	<u>3,881,932</u>

The bank loans and overdraft are secured by a fixed and floating charge over all the assets of the company at an interest rate of 2.5% - 3.0% over base. The loans are repayable by month instalment and amortised over 20 years.

### 12. DEFERRED TAXATION

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2022 £	2021 £
Excess of taxation allowances over depreciation on fixed assets	51,100	39,264
Capital gain on the properties	263,147	282,872
	<u>314,247</u>	<u>322,136</u>

# GLENHOLME SPECIALIST HEALTHCARE (SOUTHERN REGION) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

### 12. DEFERRED TAXATION (continued)

The movement in the deferred taxation provision during the year was:

	2022 £	2021 £
Provision brought forward	322,136	181,309
Charged to the profit and loss account	2,776	140,827
Charged to the revaluation reserve account	(10,665)	-
	<u>314,247</u>	<u>322,136</u>

### 13. SHARE CAPITAL

Allotted, called up and fully paid:

	2022		2021	
	No	£	No	£
Ordinary shares of £1 each	<u>2,450</u>	<u>2,450</u>	<u>2,450</u>	<u>2,450</u>

### 14. RESERVES

Share Premium account – This reserve records the amount received for shares in excess of their issued value.

Revaluation reserve - This reserve records the unrealised gain on both tangible and investment properties. Revaluations on investment properties are first put through the profit and loss and then transferred to the revaluation reserve.

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

### 15. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption available under FRS 102 Section 33.1A not to disclose transactions with the ultimate parent undertaking and those subsidiary undertakings, where the group controls 100% of those companies' voting rights.

### 16. CAPITAL COMMITMENTS

There are no authorised or committed capital commitments in the current year. (2021: £nil)

### 17. ULTIMATE CONTROLLING COMPANY

The smallest and largest group of undertakings for which group accounts are drawn up are those headed by Glenholme Healthcare Group Ltd. Copies of the group financial statements are publicly available at Companies House or the company's registered office at 79 High Street, Eton, SL4 6AF.