

Company Registration No. 06393775 (England and Wales)

LAKELAND CARE GROUP LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

LAKELAND CARE GROUP LTD

COMPANY INFORMATION

Directors	Mr F Sinclair-Brown	(Appointed 17 March 2020)
	Mr P Stamps	(Appointed 17 March 2020)
	A Jebson	(Appointed 17 March 2020)

Company number	06393775
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Registered office	First Floor Offices Sweeps Ditch 44a Gresham Road Staines Upon Thames TW18 2AN
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Auditor	Clarkson Hyde LLP 3rd Floor Chancery House St Nicholas Way Sutton Surrey SM1 1JB
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LAKELAND CARE GROUP LTD

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LAKELAND CARE GROUP LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2020

The directors present their annual report and financial statements for the year ended 30 September 2020.

Principal activities

The principal activity of the company continued to be that of a holding company.

Results and dividends

The results for the year are set out on page 5.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

No preference dividends were paid. The directors do not recommend payment of a final dividend.

Directors

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

Mr F Sinclair-Brown	(Appointed 17 March 2020)
Mr P Stamps	(Appointed 17 March 2020)
A Jebson	(Appointed 17 March 2020)
Mr C Root	(Resigned 17 March 2020)
Mrs A Root	(Resigned 17 March 2020)

Auditor

Clarkson Hyde LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 period. 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;
- 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 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 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.

Statement of disclosure to auditor

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

LAKELAND CARE GROUP LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

On behalf of the board

A Jebson

Director

3 June 2021

LAKELAND CARE GROUP LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LAKELAND CARE GROUP LTD

Opinion

We have audited the financial statements of Lakeland Care Group Ltd (the 'company') for the year ended 30 September 2020 which comprise the profit and loss account, 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 101 'Reduced Disclosure Framework' (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 30 September 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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.

LAKELAND CARE GROUP LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LAKELAND CARE GROUP LTD

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 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

Michael Clark (Senior Statutory Auditor)
For and on behalf of Clarkson Hyde LLP

3 June 2021

Chartered Accountants
Statutory Auditor

3rd Floor
Chancery House
St Nicholas Way
Sutton
Surrey
SM1 1JB

LAKELAND CARE GROUP LTD

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Notes	2020 £	2019 £
Turnover	2	37,683	81,500
Administrative expenses		(1,165)	(3,065)
Operating profit		36,518	78,435
Interest payable and similar expenses	4	(18,821)	(38,030)
Profit before taxation		17,697	40,405
Tax on profit	5	(1,538)	(7,677)
Profit and total comprehensive income for the financial year		16,159	32,728

LAKELAND CARE GROUP LTD

BALANCE SHEET

AS AT 30 SEPTEMBER 2020

		2020	2019
	Notes	£	£
Fixed assets			
Investments	6	1,196,472	1,196,472
Current assets			
Debtors	7	326,801	241,887
Creditors: amounts falling due within one year	8	(1,235,947)	(154,931)
Net current (liabilities)/assets		(909,146)	86,956
Total assets less current liabilities		287,326	1,283,428
Creditors: amounts falling due after more than one year	8	-	(1,012,261)
Net assets		287,326	271,167
Capital and reserves			
Called up share capital	11	2	2
Profit and loss reserves		287,324	271,165
Total equity		287,326	271,167

The financial statements were approved by the board of directors and authorised for issue on 3 June 2021 and are signed on its behalf by:

A Jebson
Director

Company Registration No. 06393775

LAKELAND CARE GROUP LTD

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 October 2018	2	238,437	238,439
Year ended 30 September 2019:			
Profit and total comprehensive income for the year	-	32,728	32,728
	<u>2</u>	<u>271,165</u>	<u>271,167</u>
Balance at 30 September 2019			
Year ended 30 September 2020:			
Profit and total comprehensive income for the year	-	16,159	16,159
	<u>2</u>	<u>287,324</u>	<u>287,326</u>
Balance at 30 September 2020	<u>2</u>	<u>287,324</u>	<u>287,326</u>

LAKELAND CARE GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

Company information

Lakeland Care Group Ltd is a private company limited by shares incorporated in England and Wales. The registered office is First Floor Offices, Sweeps Ditch, 44a Gresham Road, Staines Upon Thames, TW18 2AN. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company meets the definition of a qualifying entity under FRS 101 Reduced Disclosure Framework. These financial statements for the year ended 30 September 2020 are the first financial statements of Lakeland Care Group Ltd prepared in accordance with FRS 101. The company transitioned from FRS102 Section 1A to FRS 101 for all periods presented and the date of transition to FRS 101 was 1 October 2018.

The reported financial position and financial performance for the previous period are not affected by the transition to FRS 101.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- inclusion of an explicit and unreserved statement of compliance with IFRS;
- presentation of a statement of cash flows and related notes;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- the effect of financial instruments on the statement of comprehensive income;
- comparative period reconciliations for the number of shares outstanding and the carrying amounts of property, plant and equipment, intangible assets, investment property and biological assets;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- a reconciliation of the number and weighted average exercise prices of share options, how the fair value of share-based payments was determined and their effect on profit or loss and the financial position;
- comparative narrative information;
- for financial instruments, investment property and biological assets measured at fair value and within the scope of IFRS 13, the valuation techniques and inputs used to measure fair value, the effect of fair value measurements with significant unobservable inputs on the result for the period and the impact of credit risk on the fair value; and
- related party disclosures for transactions with the parent or wholly owned members of the group.

Where required, equivalent disclosures are given in the group accounts of Churchlake Holdings Ltd.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Lakeland Care Group Ltd is a wholly owned subsidiary of Churchlake Holdings Ltd and the results of Lakeland Care Group Ltd are included in the consolidated financial statements of Churchlake Holdings Ltd which are available from First Floor Offices, Sweeps Ditch, 44a Gresham Road, Staines Upon Thames, TW18 2AN. .

LAKELAND CARE GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

(Continued)

1.2 Going concern

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

1.3 Turnover

Turnover is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

The company recognises revenue from the following major sources management charges.

1.4 Cash at bank and in hand

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

1.5 Financial assets

Financial assets are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Impairment of financial assets

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets

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

LAKELAND CARE GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

(Continued)

1.6 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.7 Equity instruments

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

1.8 Taxation

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

Current tax

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

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

2 Turnover

	2020	2019
	£	£
Turnover analysed by class of business		
Management charge	37,683	81,500

LAKELAND CARE GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

3 Employees

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

	2020	2019
	Number	Number
Total	-	-

4 Interest payable and similar expenses

	2020	2019
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	18,821	38,030

5 Taxation

	2020	2019
	£	£
Current tax		
UK corporation tax on profits for the current period	1,538	7,677

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	2020	2019
	£	£
Profit before taxation	17,697	40,405
Expected tax charge based on a corporation tax rate of 19.00% (2019: 19.00%)	3,362	7,677
Group relief	(1,824)	-
Taxation charge for the year	1,538	7,677

6 Investments

	Current		Non-current	
	2020	2019	2020	2019
	£	£	£	£
Other investments	-	-	1,196,472	1,196,472

Fair value of financial assets carried at amortised cost

Except as detailed below the directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

LAKELAND CARE GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

6 Investments (Continued)

Movements in fixed asset investments

Investments
other than loans

£

Cost or valuation

At 1 October 2019 & 30 September 2020

1,196,472

Carrying amount

At 30 September 2020

1,196,472

At 30 September 2019

1,196,472

7 Debtors

2020

2019

£

£

Amounts owed by subsidiary undertakings

326,801

241,887

8 Creditors

Due within one year

Due after one year

2020

2019

2020

2019

Notes

£

£

£

£

Loans and overdrafts

9

-

53,262

-

1,012,261

Creditors

10

1,234,409

93,992

-

-

Taxation and social security

1,538

7,677

-

-

1,235,947

154,931

-

1,012,261

9 Loans and overdrafts

Due within one year

Due after one year

2020

2019

2020

2019

£

£

£

£

Borrowings held at amortised cost:

Bank loans

-

53,262

-

1,012,261

2020

2019

£

£

Secured borrowings included above:

Bank loans

-

1,065,523

LAKELAND CARE GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

9 Loans and overdrafts

(Continued)

The bank loans totalling £0 (2019 : 1,065,522) are secured. During the period ended 30 September 2008 the company entered into a joint financing arrangement with its subsidiary undertaking, Cumbria Nursing Services Limited. A legal charge is held over the share capital and freehold property of Cumbria Nursing Services Limited in respect of joint bank borrowing held in the name of the company.

A further debenture was registered in May 2015 for a fixed and floating charge over the assets of the company, its subsidiary and Lakeland Care Services Limited, an associated company, as a result of a refinance of the bank borrowings. Additional cross guarantees were entered into amongst the three companies to further secure the loan.

10 Creditors

	2020	2019
	£	£
Amount owed to parent undertaking	1,039,671	-
Amounts owed to fellow group undertakings	194,738	-
Accruals and deferred income	-	1,799
Other creditors	-	92,193
	<u>1,234,409</u>	<u>93,992</u>

11 Share capital

	2020	2019	2020	2019
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	2	2	2	2

12 Controlling party

In the opinion of the directors, the company's ultimate parent company, the ultimate controlling party and which includes the company for which group accounts are prepared is Churchlake Holdings Limited, a company incorporated in Great Britain.

Copies of the consolidated financial statements for Churchlake Holdings Limited may be obtained from Sweeps Ditch, 44a Gresham Road, Staines-Upon-Thames TW18 2AN.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.