

Registration number: 06545556

ENARA FINANCE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019



Hazlewoods LLP
Winsdor House
Bayshill Road
Cheltenham
GL50 3AT

ENARA FINANCE LIMITED

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ENARA FINANCE LIMITED

COMPANY INFORMATION

Directors	J Baker F D Porter J Vellacott
Registered office	1310 Solihull Parkway Birmingham Business Park Solihull Birmingham B37 7YB
Auditors	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

ENARA FINANCE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2019

The directors present their strategic report for the year ended 31 March 2019.

Principal activity

The principal activity of the company is as a holding company.

Fair review of the business

The results for the year, which are set out in the profit and loss account, show a profit before tax of £5,712,346 (2018 - £nil). At 31 March 2019, the company had net liabilities of £4,540,636 (2018 - £10,252,982). The directors consider the performance for the year and the financial position at the year end to be satisfactory.

Principal risks and uncertainties

The company manages its risks within the Group Risk Framework and register. The directors have reviewed the financial risk management objectives and policies of the company in the light of the Group Risk Framework. The directors do not believe there to be any significant risks other than those detailed below.

Market Risk – The group regularly monitors and reviews changes to Government policy and CQC regulations, in addition to developments of all relevant legislation relating to employees, clients and sector, implementing changes to process and controls as required.

Credit risk from private clients – Mitigated via robust credit control procedures and timely and accurate invoicing.

Key risks include:

Strategic Risks

Changes in the market and to the economic conditions : The company is exposed to UK market conditions. Company performance and resourcing requirements may be impacted by any changes in the market. We have an ability to recognise and adapt to any change in requirement for services and are well placed to adapt to policy changes. We are closely monitoring the outcomes of the European Union exit negotiations and any resulting policy changes to determine the impact on future contract opportunities and availability of resources.

Financial Risks

Reliance on material counterparties : The company depends on a number of significant counterparties, including the bank, clients and suppliers, to maintain its business. The failure of a key business partner could affect the business. This risk is mitigated by limiting dependency on any one partner.

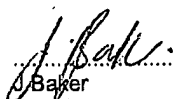
Operational Risks

Significant health, safety or environmental incident : The potential to cause harm to employees, clients, or to damage the environment exists and is mitigated by an extensive Quality, Health, Safety and Environmental (QHSE) programme that is monitored closely.

System, process or control failure : Increased reliance on business systems dictates a robust governance framework and set of processes. Failure of the framework could impact on operational performance. Policies are subject to reviews which underpin the mitigation activity for this risk. These reviews are carried out alongside regular, formal, documented testing of business critical systems.

Attracting and retaining skilled people : Failure to attract new talent and develop existing employees could impact growth. The company utilises career development, recruitment and talent management programmes to ensure that it attracts and retains key people.

Approved by the Board on 16/12/19 and signed on its behalf by:


J. Baker
Director

ENARA FINANCE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The directors present their report and the financial statements for the year ended 31 March 2019.

Directors of the company

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

J Baker

F D Porter

J Vellacott (appointed 12 September 2018)

N Singh (resigned 12 September 2018)

Financial instruments

Objectives and policies

The board constantly monitors the company's trading results and revise projections as appropriate to ensure that the company can meet its future obligations as they fall due.

Price risk, credit risk, liquidity risk and cash flow risk

The company is exposed to the usual credit and cash flow risks associated with selling on credit and manages this through credit control procedures.

In accordance with the Financial Reporting Council's 'Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009', the directors of all companies are now required to provide disclosures regarding the adoption of the going concern basis of accounting.

The company has sufficient resources available and the directors have prepared forecasts for the next 12 months that indicate that this will continue to be the case and that these cash flows will be sufficient for the company to meet its financing commitments as they fall due. The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

Future developments

The directors expect the general level of activity to remain challenging in the forthcoming year. This is as a result of the external environment, which will be impacted by the Government's social care policies, and is expected to remain competitive going forward.

Going concern

The company's business activities, together with the factors likely to affect its future development and position are set out in the Strategic Report.

The group is going through a period of change and has a number of measures in place to improve profitability. The group will be supported by its ultimate controlling party, Apposite Healthcare II GP LLP, upto a point that it can generate positive cash flows on its own account.

The directors, having assessed the responses of the directors of the company's ultimate parent MC Care Holdings Limited to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the MC Care Holdings group to continue as a going concern.

On the basis of their assessment of the company's financial position and of the enquiries made of the directors of MC Care Holdings Limited, the company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

ENARA FINANCE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

Disclosure of information to the auditors

Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

Hazlewoods LLP have expressed their willingness to continue in office.

Approved by the Board on 16/12/19 and signed on its behalf by:


.....
J. Baker
Director

ENARA FINANCE LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has 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.

ENARA FINANCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENARA FINANCE LIMITED

Opinion

We have audited the financial statements of Enara Finance Limited (the 'company') for the year ended 31 March 2019, which comprise the Profit and Loss Account, Balance Sheet, 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 Financial Reporting Standard 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 31 March 2019 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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

Opinion on other matter 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

ENARA FINANCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENARA FINANCE LIMITED

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and 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 Statement of Directors' Responsibilities set out on page 5, 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 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.

.....
Martin Howard (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Winsdor House
Bayshill Road
Cheltenham
GL50 3AT

Date: 13 Dec 2019

ENARA FINANCE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
Turnover		-	-
Operating profit/(loss)		-	-
Other interest receivable and similar income	3	15,561,990	-
Amounts written off investments		(9,849,644)	-
Profit before tax		5,712,346	-
Taxation		-	-
Profit for the financial year		5,712,346	-

The above results were derived from discontinued operations.

The company has no other comprehensive income for the year.

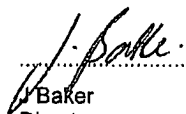
The notes on pages 11 to 14 form an integral part of these financial statements.

ENARA FINANCE LIMITED

**(REGISTRATION NUMBER: 06545556)
BALANCE SHEET AS AT 31 MARCH 2019**

	Note	2019 £	2018 £
Fixed assets			
Investments	4	-	9,849,644
Current assets			
Debtors: Amounts falling due after more than one year	5	-	58,744
Creditors: Amounts falling due within one year	6	(4,540,636)	(20,161,370)
Net current liabilities		(4,540,636)	(20,102,626)
Net liabilities		(4,540,636)	(10,252,982)
Capital and reserves			
Called up share capital	7	1	1
Profit and loss account		(4,540,637)	(10,252,983)
Total equity		(4,540,636)	(10,252,982)

Approved and authorised by the Board on 16/12/19 and signed on its behalf by:


.....
J. Baker
Director

The notes on pages 11 to 14 form an integral part of these financial statements.

ENARA FINANCE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Share capital £	Profit and loss account £	Total £
At 1 April 2018	1	(10,252,983)	(10,252,982)
Profit for the year	-	5,712,346	5,712,346
At 31 March 2019	<u>1</u>	<u>(4,540,637)</u>	<u>(4,540,636)</u>

	Share capital £	Profit and loss account £	Total £
At 1 April 2017 and at 31 March 2018	<u>1</u>	<u>(10,252,983)</u>	<u>(10,252,982)</u>

The notes on pages 11 to 14 form an integral part of these financial statements.

ENARA FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:
1310 Solihull Parkway
Birmingham Business Park
Solihull
Birmingham
B37 7YB

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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.

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'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Name of parent of group

These financial statements are consolidated in the financial statements of MC Care Holdings Limited.

The financial statements of MC Care Holdings Limited may be obtained from Companies House.

Group accounts not prepared

The company has taken advantage of the exemption in section 398 of the Companies Act 2006 from the requirement to prepare consolidated financial statements, on the grounds that it is a small group.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

ENARA FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Other interest receivable and similar income

	2019 £	2018 £
Dividend income	15,561,990	-

ENARA FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

4 Investments in subsidiaries

	2019 £	2018 £
Investments in subsidiaries	-	9,849,644
Subsidiaries		£
Cost		
At 1 April 2018 and at 31 March 2019		76,903,644
Provision		
At 1 April 2018		67,054,000
Provision		9,849,644
At 31 March 2019		76,903,644
Carrying amount		
At 31 March 2019		-
At 31 March 2018		9,849,644

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2019	2018
Subsidiary undertakings				
Angels Care Services Limited	England and Wales	Ordinary	100%	100%
Care Connect Homecare Services Limited	England and Wales	Ordinary	100%	100%
Caretime Services Limited	England and Wales	Ordinary	100%	100%
Complete Care Services Wiltshire Limited	England and Wales	Ordinary	100%	100%
Delight Care Limited	England and Wales	Ordinary	100%	100%
Extracare Limited	England and Wales	Ordinary	100%	100%
Freedom Socialcare Limited	England and Wales	Ordinary	100%	100%
Freedom Socialcare Recruitment Limited	England and Wales	Ordinary	100%	100%
Home Comforts Care Swansea Limited	England and Wales	Ordinary	100%	100%
Heart To Heart Care Limited	England and Wales	Ordinary	100%	100%
MiHomecare Limited	England and Wales	Ordinary	100%	100%
Shinedream Limited	England and Wales	Ordinary	100%	100%
The Care Agency Limited	England and Wales	Ordinary	100%	100%
Two Counties Community Care Limited	England and Wales	Ordinary	100%	100%
Village Homecare Services (Wales) Limited	England and Wales	Ordinary	100%	100%

The principal activity of Mihomecare Limited is the provision of care services. All other subsidiary companies are dormant.

ENARA FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

5 Debtors

	2019 £	2018 £
Amounts owed by group undertakings	<u>-</u>	<u>58,744</u>

6 Creditors

	2019 £	2018 £
Due within one year		
Amounts due to group undertakings	4,364,124	20,160,940
Other creditors	<u>176,512</u>	<u>430</u>
	<u>4,540,636</u>	<u>20,161,370</u>

7 Share capital

Allotted, called up and fully paid shares

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

8 Parent and ultimate parent undertaking

The company's immediate parent is Enara Group Limited, incorporated in England and Wales.

The ultimate parent is MC Care Holdings Limited, incorporated in England and Wales.

The ultimate controlling party is Apposite Healthcare II GP LLP, a limited liability partnership incorporated in England and Wales.