

Company registration number 06655141 (England and Wales)

WILLOWBROOK HEALTHCARE DEBT CO LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

WILLOWBROOK HEALTHCARE DEBT CO LIMITED

COMPANY INFORMATION

Directors	J M B Stowbridge	
	C L C Colt	(Appointed 27 February 2023)
	S Bratanis Olsson	(Appointed 27 February 2023)
	D A Reuben Jnr	(Appointed 27 February 2023)
Secretary	R Clements	
Company number	06655141	
Registered office	3 Cygnet Drive Swan Valley Northampton NN4 9BS	
Auditor	Gerald Edelman LLP 73 Cornhill London EC3V 3QQ	

WILLOWBROOK HEALTHCARE DEBT CO LIMITED

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WILLOWBROOK HEALTHCARE DEBT CO LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Principal activities

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

Directors

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

M F Proctor	(Resigned 28 April 2023)
J M B Stowbridge	
C L C Colt	(Appointed 27 February 2023)
S Bratanis Olsson	(Appointed 27 February 2023)
D A Reuben Jnr	(Appointed 27 February 2023)

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Future developments

The company continues to provide management services to the wider groups care home portfolio, this group continues to focus on the expansion of the wider business through the development of new care homes and retirement living facilities which will require increased management services in the company.

Auditor

Gerald Edelman 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;
- 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.

WILLOWBROOK HEALTHCARE DEBT CO LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Going Concern

The group headed by Avery Healthcare Holdings Limited has agreed to continue to provide the Company with the necessary financial support and working capital for at least one year from the date of the approval of these financial statements to allow the Company to meet its liabilities as they fall due. The Company is also subject to cross guaranteed property leasing with other group undertakings. Detailed information regarding the financial position of the Group headed by Avery Healthcare Holdings Limited, its cash flows, liquidity position and borrowing facilities are included in the financial statements of Avery Healthcare Holdings Limited, which can be obtained from Companies House.

The Group meets its day-to-day working capital requirements through operating cash flows and debt financing. Having reviewed the groups financial forecasts and expected future cash flows, the directors are confident that the group has adequate resources to continue in operational existence for the foreseeable future. Consequently, the directors are confident that the group 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.

Small companies exemption

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

On behalf of the board

S Bratanis Olsson

Director

28 March 2024

WILLOWBROOK HEALTHCARE DEBT CO LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WILLOWBROOK HEALTHCARE DEBT CO LIMITED

Opinion

We have audited the financial statements of Willowbrook Healthcare Debtco Limited (the 'company') for the year ended 31 March 2023 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including 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 2023 and of its loss 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

WILLOWBROOK HEALTHCARE DEBT CO LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF WILLOWBROOK HEALTHCARE DEBT CO LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We planned our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements resulting from irregularities, fraud or non-compliance with law or regulations.

Extent to which the audit was considered capable of detecting irregularities, including fraud

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- Enquiring of management of whether they are aware of any non-compliance with laws and regulations.
- Enquiring of management whether they have knowledge of any actual, suspected or alleged fraud.
- Enquiring of management their internal controls established to mitigate risk related to fraud or non-compliance with laws and regulations.
- Discussions amongst the engagement team on how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas; posting of unusual journals.
- Obtaining understanding of the legal and regulatory framework the company operates in focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations. The key laws and regulations we considered in this context included UK Companies Act, tax legislation, data protection, anti-bribery, employment and health and safety

WILLOWBROOK HEALTHCARE DEBT CO LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF WILLOWBROOK HEALTHCARE DEBT CO LIMITED

Audit response to risks identified

Fraud due to management override

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Audited the risk of management override of controls, including through testing journal entries for appropriateness
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

Irregularities and non-compliance with laws and regulations

In response to the risk of irregularities and non compliance with laws and regulations, we designed procedures which included, but are not limited to:

- Agreeing financial statements disclosures to underlying supporting documentation.
- Reviewing minutes of meetings of those charged with governance.
- Enquiring of management as to actual and potential litigation claims.
- Reviewing correspondence with HMRC.

The test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, mean that there is an unavoidable risk that even some material misstatements in respect of irregularities may remain undiscovered even though the audit is properly planned and performed in accordance with ISAs (UK). Furthermore, the more removed that laws and regulations are from financial transactions, the less likely that we would become aware of non-compliance.

Our examination should therefore not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance that might exist. The responsibility for safeguarding the assets of the company and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with the directors.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters which we are required to address

In accordance with ISA (UK) 706, we are required to draw users' attention to any matter or matters other than those presented or disclosed in the financial statements that are relevant to users' understanding of the audit, the auditor's responsibilities or the auditor's report.

In this regard, we report to you that the prior year's financial statements are unaudited. We have nothing further to report to you on other matters.

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.

Mr Grant Lee FCA
Senior Statutory Auditor
For and on behalf of Gerald Edelman LLP

28 March 2024

Chartered Accountants
Statutory Auditor

73 Cornhill
London

WILLOWBROOK HEALTHCARE DEBT CO LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF WILLOWBROOK HEALTHCARE DEBT CO LIMITED

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WILLOWBROOK HEALTHCARE DEBT CO LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Administrative expenses		(12,144,048)	(571,761)
Interest payable and similar expenses	5	-	(590,874)
Loss before taxation		(12,144,047)	(1,162,635)
Tax on loss	6	-	-
Loss for the financial year		(12,144,047)	(1,162,635)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

WILLOWBROOK HEALTHCARE DEBTCO LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	as restated	£
Fixed assets					
Investments	7		3,634,124		3,634,124
Current assets					
Debtors	9	25,783,580		33,498,320	
Cash at bank and in hand		139,245		1,841,989	
		<u>25,922,825</u>		<u>35,340,309</u>	
Creditors: amounts falling due within one year	10	<u>(44,479,239)</u>		<u>(41,752,676)</u>	
Net current liabilities			<u>(18,556,414)</u>		<u>(6,412,367)</u>
Net liabilities			<u>(14,922,290)</u>		<u>(2,778,243)</u>
Capital and reserves					
Called up share capital	11		1		1
Profit and loss reserves			<u>(14,922,291)</u>		<u>(2,778,244)</u>
Total equity			<u>(14,922,290)</u>		<u>(2,778,243)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 28 March 2024 and are signed on its behalf by:

S Bratanis Olsson
Director

Company registration number 06655141 (England and Wales)

WILLOWBROOK HEALTHCARE DEBT CO LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Share capital	Profit and loss reserves	Total
	£	£	£
As restated for the period ended 31 March 2022:			
Balance at 1 April 2021	1	(1,478,498)	(1,478,497)
Effect of prior period adjustment	-	(137,111)	(137,111)
As restated	1	(1,615,609)	(1,615,608)
Year ended 31 March 2022:			
Loss and total comprehensive income for the year	-	(1,162,635)	(1,162,635)
Balance at 31 March 2022	1	(2,778,244)	(2,778,243)
Year ended 31 March 2023:			
Loss and total comprehensive income for the year	-	(12,144,047)	(12,144,047)
Balance at 31 March 2023	1	(14,922,291)	(14,922,290)

WILLOWBROOK HEALTHCARE DEBT CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

Willowbrook Healthcare Debtco Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3 Cygnet Drive, Swan Valley, Northampton, NN4 9BS.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Avery Healthcare Holdings Limited. These consolidated financial statements are available from Companies House. The registered address of Avery Healthcare Holdings Limited is 3 Cygnet Drive, Swan Valley, Northampton, NN4 9BS.

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.

Willowbrook Healthcare Debtco Limited is a wholly owned subsidiary of Avery Healthcare Group Limited and the results of Willowbrook Healthcare Debtco Limited are included in the consolidated financial statements of Avery Healthcare Holdings Limited which are available from Companies House. The registered address of Avery Healthcare Holdings Limited is 3 Cygnet Drive, Swan Valley, Northampton, NN4 9BS.

WILLOWBROOK HEALTHCARE DEBT CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.2 Going concern

The group headed by Avery Healthcare Holdings Limited has agreed to continue to provide the Company with the necessary financial support and working capital for at least one year from the date of the approval of these financial statements to allow the Company to meet its liabilities as they fall due. The Company is also subject to cross guaranteed property leasing with other group undertakings. Detailed information regarding the financial position of the Group headed by Avery Healthcare Holdings Limited, its cash flows, liquidity position and borrowing facilities are included in the financial statements of Avery Healthcare Holdings Limited, which can be obtained from Companies House.

The Group meets its day-to-day working capital requirements through operating cash flows and debt financing. Having reviewed the groups financial forecasts and expected future cash flows, the directors are confident that the group has adequate resources to continue in operational existence for the foreseeable future. Consequently, the directors are confident that the group 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.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

WILLOWBROOK HEALTHCARE DEBT CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

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

WILLOWBROOK HEALTHCARE DEBT CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 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 amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Operating loss

	2023	2022
	£	£
Operating loss for the year is stated after charging:		
Depreciation of owned tangible fixed assets	-	460,961
Professional fees*	72,001	28,800
Loss on disposal of tangible fixed assets	12,071,906	-
	<u>12,143,907</u>	<u>489,761</u>

*In 2022, the professional fees were shown separately in the statement of comprehensive income as an exceptional item.

4 Employees

	2023	2022
	Number	Number
Total	-	-

No remuneration was paid to the directors in respect of their services to the company during the current or preceding financial year. The directors were the only employees.

WILLOWBROOK HEALTHCARE DEBT CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Interest payable and similar expenses

	2023	2022
	£	£
Interest on bank overdrafts and loans	-	590,874

6 Taxation

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2023	2022
	£	£
Loss before taxation	(12,144,047)	(1,162,635)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	(2,307,369)	(220,901)
Tax effect of expenses that are not deductible in determining taxable profit	2,307,342	97,583
Adjustments in respect of prior years	-	113,416
Group relief	(30)	-
Restricted interest	57	9,902
Taxation charge for the year	-	-

7 Fixed asset investments

	Notes	2023	2022
		£	£
Investments in subsidiaries	8	3,634,124	3,634,124

8 Subsidiaries

Details of the company's subsidiaries, all of which are registered in England & Wales, at 31 March 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Willowbrook Healthcare Developments Limited	**	Care home development	Ordinary	100.00
Adept Build Limited	**	Dormant	Ordinary	100.00
Avery Holdco Cannock Limited	**	Holding Company	Ordinary	100.00
Avery Care (Cannock) Limited*	**	Financing Company	Ordinary	100.00
Avery Management Services Limited	**	Management services	Ordinary	100.00
Avery Homes (Cannock) Limited*	**	Property company & care home operation	Ordinary	100.00
Avery Homes Rugeley Limited	**	Care home development	Ordinary	100.00
Avery Homes Cliftonville Limited	**	Care home development	Ordinary	100.00

WILLOWBROOK HEALTHCARE DEBT CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Subsidiaries

(Continued)

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Avery Homes Nuthall Limited	**	Care home development	Ordinary	100.00
Avery Homes Moston Limited	**	Care home development	Ordinary	100.00
Avery Homes Kirkstall Limited	**	Care home development	Ordinary	100.00
Avery Homes Newcastle UL Limited	**	Care home development	Ordinary	100.00
Avery Homes Nuneaton Limited	**	Care home development	Ordinary	100.00
Avery Homes Wolverhampton Limited	**	Care home development	Ordinary	100.00
Highcliffe Care Centre Limited	**	Care home development	Ordinary	100.00
Avery Homes WSM Limited	**	Care home development	Ordinary	100.00
Avery Homes Hanford Limited	**	Care home development	Ordinary	100.00
Avery Homes Hatfield Limited	**	Care home development	Ordinary	100.00
Avery Homes Weybridge Limited	**	Care home development	Ordinary	100.00
Avery Homes Hinckley Limited	**	Care home development	Ordinary	100.00
Avery Homes SH Limited	**	Care home development	Ordinary	100.00
Avery Homes Derby Limited	**	Care home development	Ordinary	100.00
Avery Homes TH Limited	**	Care home development	Ordinary	100.00
Avery Homes (Nelson) Limited	**	Care home development	Ordinary	100.00
Avery Homes Stafford Limited	**	Care home development	Ordinary	100.00
Avery Homes Wellingborough Limited	**	Care home development	Ordinary	100.00
Avery Homes Grove Park Limited	**	Care home development	Ordinary	100.00
Hawthorns Retirement Living Limited	**	Retirement home operation	Ordinary	100.00
Willow Domiciliary Care Limited	**	Dormant	Ordinary	100.00
Avery Homes Stratford Limited	**	Dormant	Ordinary	100.00
Avery Homes Lichfield Limited	**	Dormant	Ordinary	100.00
Avery Homes RH Limited	**	Dormant	Ordinary	100.00
Litchfield Care Limited	**	Dormant	Ordinary	100.00
Avery Healthcare Limited	**	Dormant	Ordinary	100.00
Avery Healthcare Management Limited	**	Dormant	Ordinary	100.00
Avery Homes Nominee 1 Limited	**	Dormant	Ordinary	100.00
Avery Homes Nominee 2 Limited	**	Dormant	Ordinary	100.00
Avery Homes Kingsland Limited	**	Dormant	Ordinary	100.00

WILLOWBROOK HEALTHCARE DEBTCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Subsidiaries (Continued)

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Avery Healthcare Developments Limited	**	Dormant	Ordinary	100.00
Avery Homes Clevedon Limited	**	Dormant	Ordinary	100.00
Avery Cannock Opco Limited*	**	Dormant	Ordinary	100.00
AH Littleover Holdco Limited	**	Holding company	Ordinary	100.00
AH Braintree Limited	**	Dormant	Ordinary	100.00

*held indirectly

**The registered address of the companies is 3 Cygnet Drive, Swan Valley, Northampton, NN4 9BS.

9 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	1,094	1,094
Corporation tax recoverable	175,984	175,984
Amounts owed by group undertakings	25,594,801	33,321,235
Other debtors	11,701	7
	<u>25,783,580</u>	<u>33,498,320</u>

10 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	3,139	31,939
Amounts owed to group undertakings	44,464,107	41,720,737
Other creditors	11,993	-
	<u>44,479,239</u>	<u>41,752,676</u>

11 Share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

12 Financial commitments, guarantees and contingent liabilities

The Company, together with a number of its fellow subsidiary undertakings, has entered into a cross collateralised security arrangement to secure the Group's operating leases with Welltower Inc of Toledo USA.

WILLOWBROOK HEALTHCARE DEBT CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

13 Ultimate controlling party

At the year end, the company was a subsidiary undertaking of Willowbrook Healthcare Group Limited. The ultimate controlling party is Veilchenblau Estates Ltd, incorporated in England and Wales.

The largest group in which the results of the Company were consolidated was that headed by Veilchenblau Estates Ltd. The smallest group in which the results of the Company were consolidated was that headed by Avery Healthcare Holdings Limited.

The company's ultimate UK parent is Veilchenblau Estates Ltd; whose accounts are available from Companies House. The registered address for Veilchenblau Estates Ltd is Millbank Tower, 21-24 Millbank, London SW 1P 4QP.

The ultimate parent company is Landal Worldwide Corp, a company registered in British Virgin Islands.

The registered address for Landal Worldwide Corp is 2nd Floor O'Neal Marketing Associates Building, PO Box 3174, Wickham's Cay II, Road Town, Tortola, British Virgin Islands.

14 Prior period adjustment

Changes to the balance sheet

	As previously reported £	Adjustment £	As restated at 31 Mar 2022 £
Fixed assets			
Investments	3,771,235	(137,111)	3,634,124
	<u> </u>	<u> </u>	<u> </u>
Capital and reserves			
Profit and loss reserves	(2,641,133)	(137,111)	(2,778,244)
	<u> </u>	<u> </u>	<u> </u>

The above adjustment corrects the impairment of investment balances in Litchfield Care Limited, Avery Homes Lichfield Limited and Avery Homes Stratford Limited which totalled £137,111. These companies had nil carrying value as they were all dormant as at 31 March 2021.

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.