

LIFE PROPERTY INVESTMENTS LIMITED

FINANCIAL STATEMENTS

31 MARCH 2018

Glenholme
Group

THURSDAY



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COMPANIES HOUSE

LIFE PROPERTY INVESTMENTS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

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LIFE PROPERTY INVESTMENTS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

B W Phippen
K W Phippen
S J McLaughlan

COMPANY SECRETARY

S A Hurrell

REGISTERED OFFICE

Sun House
79 High Street
Eton
Berkshire
SL4 6AF

AUDITOR

Menzies LLP
Chartered Accountants
Midas House
62 Goldsworth Road
Woking
Surrey
GU21 6LQ

LIFE PROPERTY INVESTMENTS LIMITED

STRATEGIC REPORT

The directors have the pleasure in presenting the strategic review for the year to 31 March 2018.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the group during the year was that of property letting.

The Group has continued this year on a "no change basis".

KEY PERFORMANCE INDICATORS

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

	2018	2017
	£	£
Turnover	189,459	177,639
Expenses as % of turnover	10.1%	11.3%
Operating profit pre-revaluations	170,290	157,454
Fixed assets	8,575,050	4,159,081
Yield %	2.0%	3.8%

Non-financial KPIs are not produced here because, given the nature of the business, the group's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the entity.

PRINCIPAL RISKS AND UNCERTAINTIES

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

- (a) Maintaining working capital during periods of growth
- (b) The inherent risk attached to the acquisition of new buildings
- (c) Maintaining and improving the properties
- (d) Occupancy levels

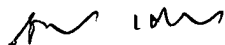
The group has successfully controlled and managed these risks by:

- (a) Regular cash flow forecasts and cash collection
- (b) Board level due diligence teams for acquisitions
- (c) Reviewing bank facilities on a regular basis
- (d) Maintaining profitability
- (e) Monitoring occupancy levels and market rents

FUTURE DEVELOPMENTS

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

Approved by the directors on 1st November 2018 and signed on their behalf by:



S A Hurrell
Company Secretary

LIFE PROPERTY INVESTMENTS LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2018

The directors present their report and the financial statements of the company for the year ended 31 March 2018.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of property letting.

DIRECTORS

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

B W Phippen	
K W Phippen	appointed on 2 nd March 2018
S J McLaughlan	

DIVIDENDS

The directors do not recommend the payment of a dividend (2017 £Nil)

GOING CONCERN

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

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Director's 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 director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable 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.

STRATEGIC REPORT

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

LIFE PROPERTY INVESTMENTS LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2018

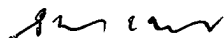
AUDITOR

Menzies LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

The directors at the date of approval of this report confirm that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that he ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approved by the directors on 1st November 2018 and signed on their behalf by:



S A Hurrell
Company Secretary

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

LIFE PROPERTY INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LIFE PROPERTY INVESTMENTS LIMITED

YEAR ENDED 31 MARCH 2018

Opinion

We have audited the financial statements of Life Property Investments Limited for the year ended 31 March 2018 which comprise Statement of Comprehensive Income, Statement of Financial Position, 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 2018 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 of 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 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 the Directors' Report for the financial year for which the financial statements are prepared is consistent with those financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

LIFE PROPERTY INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LIFE PROPERTY INVESTMENTS LIMITED

YEAR ENDED 31 MARCH 2018

Matters on which we are required to report by exception

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 set out on page 3, 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.


AMY ASKEW FCA (Senior Statutory Auditor)
For and on behalf of MENZIES LLP
Chartered Accountants & Statutory Auditor
Midas House
62 Goldsworth Road
Woking
Surrey
GU21 6LQ

9 November 2018

LIFE PROPERTY INVESTMENTS LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

YEAR ENDED 31 MARCH 2018

		2018	2017
	Notes	£	£
TURNOVER		189,459	177,639
Cost of sales		(16,148)	(16,607)
GROSS PROFIT		173,311	161,032
Administrative expenses		(3,021)	(3,578)
Investment property revaluation		290,498	60,000
OPERATING PROFIT	3	460,788	217,454
Interest payable and similar charges	5	(42,172)	(45,802)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		418,616	171,652
Tax on profit on ordinary activities	6	(33,560)	(62,075)
PROFIT FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME		385,056	109,577
RETAINED EARNINGS AT THE START OF THE YEAR		272,832	183,510
Transfer to the revaluation reserve		(281,280)	(20,255)
RETAINED EARNINGS AT THE END OF THE YEAR		376,608	272,832

Turnover arose from the principal activity.

All the activities of the company are from continuing operations.

The notes on page 10 to 15 form part of these financial statements.

Glenholme
Group

LIFE PROPERTY INVESTMENTS LIMITED

STATEMENT OF FINANCIAL POSITION

31 MARCH 2018

	Notes	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	7		8,575,050		4,159,081
CURRENT ASSETS					
Debtors	8	26,429		28,814	
Cash at bank		826		20,331	
		27,255		49,145	
CREDITORS: Amounts falling due within one year	9	(278,654)		(332,217)	
NET CURRENT LIABILITIES			(251,399)		(283,072)
TOTAL ASSETS LESS CURRENT LIABILITIES			8,323,651		3,876,009
CREDITORS: Amounts falling due after more than one year	10		(5,111,579)		(1,058,211)
Deferred tax	11		(151,031)		(141,813)
			3,061,041		2,675,985
CAPITAL AND RESERVES					
Called-up equity share capital	12		1,600,000		1,600,000
Revaluation reserve	13		1,084,433		803,153
Profit and loss account	14		376,608		272,832
SHAREHOLDERS' FUNDS			3,061,041		2,675,985

These accounts were approved by the directors and authorised for issue on 1st November 2018, and are signed on their behalf by:



S J McLaughlan

Company Registration Number: 07250646

The notes on page 10 to 15 form part of these financial statements.

Glenholme
Group

LIFE PROPERTY INVESTMENTS LIMITED

STATEMENT OF CHANGES IN EQUITY

31 MARCH 2018

	Called up share capital	Revaluation Reserve	Profit and Loss account	Total
	£	£	£	£
At 1 April 2017	1,600,000	782,898	183,510	2,566,408
Retained profit for the year	-	-	109,577	109,577
Transfer between reserves	-	20,255	(20,255)	-
At 31 March 2017	1,600,000	803,153	272,832	2,675,985
Retained profit for the year	-	-	385,056	385,056
Transfer between reserves	-	281,280	(281,280)	-
At 31 March 2018	1,600,000	1,084,433	376,608	3,061,041

The notes on page 10 to 15 form part of these financial statements.

Glenholme
Group

LIFE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2018

1. STATEMENT OF COMPLIANCE AND COMPANY INFORMATION

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

Life Property Investments Limited is limited by shares and is incorporated & domiciled in England, United Kingdom under the Companies Act 2006. The address of its registered office and principal place of business are disclosed on page 1.

2. ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

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

Disclosure exemptions

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

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

Judgements and key sources of estimation uncertainty

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

Significant judgements

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

Key sources of estimation uncertainty

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

Revenue Recognition

Turnover represents rents receivable during the year in the normal course of business.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses

LIFE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2018

Income tax (continued)

and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Investment properties

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

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

Operating lease agreements

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

Financial instruments

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

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

Debt instruments are subsequently measured at amortised cost.

3. OPERATING PROFIT

Operating profit is stated after charging:

	2018 £	2017 £
Auditor's fees	<u>2,500</u>	<u>2,400</u>

4. DIRECTORS AND STAFF

The directors, who were the only employees of the company, received no remuneration. (2017:£Nil)

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2018 £	2017 £
Interest payable on bank borrowings	<u>42,172</u>	<u>45,802</u>

LIFE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2018

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

Major components of tax expense

	2018 £	2017 £
Current tax		
UK current tax expense	24,342	22,330
Deferred tax		
Origination and reversal of timing differences	9,218	11,400
Prior year amendment	-	28,345
	<u>33,560</u>	<u>62,075</u>

Reconciliation of tax expense

The tax assessed on the result on ordinary activities for the year is the same as the standard rate of corporation tax in the UK of 19% (2017: 20%).

	2018 £	2017 £
Profit on ordinary activities before taxation	<u>418,616</u>	<u>171,652</u>
Profit on ordinary activities by rate of tax of 19% (2017: 20%)	79,537	34,330
Impact of indexation on the revaluation	(45,977)	-
Prior year amendment	-	28,345
Change in deferred tax rate to 19%	-	(600)
	<u>33,560</u>	<u>62,075</u>

7 TANGIBLE ASSETS

	Investment Properties £
COST OR VALUATION	
At 1 April 2017	4,159,081
Transfer from group company	3,069,825
Additions	1,055,646
Revaluations	290,498
At 31 March 2018	<u>8,575,050</u>
NET BOOK VALUE	
At 31 March 2018	<u>8,575,050</u>
At 31 March 2017	<u>4,159,081</u>

The freehold properties in Hemel Hempstead, Crown Mews in Peterborough, Hightrees in Enfield, Bedford and the leasehold properties in Stevenage were valued by Eddisons Taylors, Chartered Surveyors on 28th December 2017 on an open market value basis. This valuation is not materially different to the value as at the year end.

LIFE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2018

8. DEBTORS

	2018 £	2017 £
Trade debtors	25,261	14,280
Prepayments	1,168	14,534
	<u>26,429</u>	<u>28,814</u>

9. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Bank loans	203,704	230,404
Amounts owed to parent undertaking	-	94,663
Accruals	74,950	7,150
	<u>278,654</u>	<u>332,217</u>

The bank loans are secured by legal charges over the properties held by the company, and by way of a cross guarantee with Glenholme Healthcare Limited, a fellow subsidiary.

10. CREDITORS: Amounts falling due after more than one year

	2018 £	2017 £
Bank loans	988,007	1,058,211
Amounts owed to parent undertaking	4,123,572	-
	<u>5,111,579</u>	<u>1,058,211</u>

Analysis of bank loans is as follows:

	2018 £	2017 £
Due < 1 year	203,704	230,404
Due > 1 year and < 5 years	988,007	1,058,211
	<u>1,191,711</u>	<u>1,288,615</u>

The bank loans are secured by a legal charge over the properties held by the company, and a by way of a cross guarantee with Glenholme Healthcare Limited. There are three loans with Santander Plc which are repayable over 5 years to 10 years and accrue interest at a variable rate of 2.5% to 3% above LIBOR. Since the balance sheet date the loans have been repaid in full. A new, 5 year loan was issued to Glenholme Healthcare Limited for £7m of which the company is a guarantor. This new loan will accrue interest at a variable rate of 2.5% above LIBOR.

LIFE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2018

11. DEFERRED TAXATION

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

	2018 £	2017 £
Provision brought forward	141,813	102,068
Increase in provision	9,218	39,745
	<u>151,031</u>	<u>141,813</u>

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

	2018 £	2017 £
Revaluation of properties	<u>151,031</u>	<u>141,813</u>

12. SHARE CAPITAL

Allotted, called up and fully paid:

	No	2018 £	No	2017 £
Ordinary shares of £1 each	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>

LIFE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2018

13. REVALUATION RESERVE

	2018 £	2017 £
Balance brought forward	803,153	782,898
Transfers to/from other reserves	281,280	20,255
Balance carried forward	<u>1,084,433</u>	<u>803,153</u>

Revaluation reserve - This reserve records the unrealised gain on properties.

14. PROFIT AND LOSS ACCOUNT

	2018 £	2017 £
Balance brought forward	272,832	183,510
Profit for the financial year	385,056	109,577
Transfer to / from revaluation reserve	(281,280)	(20,255)
Balance carried forward	<u>376,608</u>	<u>272,832</u>

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

15. RELATED PARTY TRANSACTIONS

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

16. ULTIMATE PARENT COMPANY

The smallest and largest group of undertakings for which group accounts are drawn up are those headed by The Glenholme Healthcare Group Ltd. Copies of the group accounts are publicly available at Companies House.