

LIFE PROPERTY INVESTMENTS LIMITED

FINANCIAL STATEMENTS

31 MARCH 2021

Glenholme
Group



LIFE PROPERTY INVESTMENTS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

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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 J McLaughlan

REGISTERED OFFICE

Sun House
79 High Street
Eton
Berkshire
SL4 6AF

LIFE PROPERTY INVESTMENTS LIMITED

STRATEGIC REPORT

The directors have the pleasure in presenting the strategic review for the year to 31 March 2021.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

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

The company increased its housing stock in the year with the completion of 9 flats in Hemel Hempstead which are opened in December 2019. The company is also building 12 flats in Sleaford which is expected to open in July 2020. The directors are confident the yield will improve in the coming year as the occupancy on these services increase.

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

KEY PERFORMANCE INDICATORS

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

	2021	2020
	£	£
Turnover	520,524	406,399
Expenses as % of turnover	3%	4%
Operating profit pre-revaluations	421,014	325,477
Fixed assets	14,310,713	11,329,778
Yield %	2.9%	2.8%

Non-financial KPIs are not produced here because, given the nature of the business, the company'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 company of this size. These 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 company 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 17th August 2021 and signed on their behalf by:


K W Phippen
Managing Director

LIFE PROPERTY INVESTMENTS LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2021

The directors present their report and the financial statements of the company for the year ended 31 March 2021.

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
S J McLaughlan

DIVIDENDS

The directors do not recommend the payment of a dividend (2020 £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.

POST BALANCE SHEET EVENT

The main rate of corporation tax was increased for periods commencing April 2023 to 25% The deferred tax charge as at the 31st March 2021 has been calculated at 19%. Had the provision been changed to 25% the deferred tax provision would have increased by £175,813 to £732,555.

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 2021

AUDITOR

Glenholme Healthcare Group Ltd issued a guarantee against all outstanding liabilities to which the company is subject as at 31 March 2021, until they are satisfied in full. The guarantee is enforceable against Glenholme Healthcare Group Ltd by any person to whom the company is liable in respect of those liabilities. Since Glenholme Healthcare Group Ltd is the smallest group to which the company's accounts are consolidated the company has taken advantage of the exemption from audit of its individual accounts for the ended 31 March 2021 by virtue of section 479A of the Companies Act 2006.

Approved by the directors on 17th Aug 2021 and signed on their behalf by:



S J McLaughlan
Company Secretary

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

LIFE PROPERTY INVESTMENTS LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

YEAR ENDED 31 MARCH 2021

		2021	2020
	Notes	£	£
TURNOVER		520,524	406,399
Cost of sales		(18,103)	(16,652)
GROSS PROFIT		502,421	389,747
Administrative expenses		(81,407)	(64,270)
Investment property revaluations		1,480,624	-
OPERATING PROFIT	3	1,901,638	325,477
Tax on profit on ordinary activities	6	(355,315)	(61,841)
PROFIT FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME		1,546,323	263,636
 RETAINED EARNINGS AT THE START OF THE YEAR		 859,943	 596,307
Transfer to the revaluation reserve		(1,236,189)	-
 RETAINED EARNINGS AT THE END OF THE YEAR		 1,170,077	 859,943

Turnover arose from the principal activity.

All the activities of the company are from continuing operations.

The notes on page 8 to 13 form part of these financial statements.

Glenholme
Group

LIFE PROPERTY INVESTMENTS LIMITED

STATEMENT OF FINANCIAL POSITION

31 MARCH 2021

	Notes	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible assets	7		14,310,713		11,329,778
CURRENT ASSETS					
Debtors	8	55,849		168,526	
Cash at bank		107,805		46,443	
		163,654		214,969	
CREDITORS: Amounts falling due within one year	9	(3,600)		(7,456)	
NET CURRENT ASSETS / (LIABILITIES)			160,054		207,513
TOTAL ASSETS LESS CURRENT LIABILITIES			14,470,767		11,537,291
CREDITORS: Amounts falling due after more than one year	10		(8,812,406)		(7,780,569)
Deferred tax	11		(556,742)		(201,427)
			5,101,619		3,555,295
CAPITAL AND RESERVES					
Called-up equity share capital	12		1,600,000		1,600,000
Revaluation reserve	13		2,331,542		1,095,353
Profit and loss account	14		1,170,077		859,942
SHAREHOLDERS' FUNDS			5,101,619		3,555,295

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

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

These accounts were approved by the directors and authorised for issue on 17th August 2021, and are signed on their behalf by:



S J McLaughlan

Company Registration Number: 07250646

The notes on page 8 to 13 form part of these financial statements.

Glenholme
Group

LIFE PROPERTY INVESTMENTS LIMITED

STATEMENT OF CHANGES IN EQUITY

31 MARCH 2021

	Called up share capital	Revaluation Reserve	Profit and Loss account	Total
	£	£	£	£
At 1 April 2019	1,600,000	1,095,353	596,307	3,291,660
Retained profit for the year	-	-	263,636	263,636
Transfer between reserves	-	-	-	-
At 31 March 2020	1,600,000	1,095,353	859,942	3,555,295
Retained profit for the year	-	-	1,546,323	1,546,323
Transfer between reserves	-	1,236,189	(1,236,189)	-
At 31 March 2021	<u>1,600,000</u>	<u>2,331,542</u>	<u>1,170,077</u>	<u>5,108,619</u>

The notes on page 8 to 13 form part of these financial statements.

Glenholme
Group

LIFE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2021

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 is measured as the fair value of the consideration received or receivable for rents receivable net of discounts and Value Added Tax where applicable.

Current and deferred taxation

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

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

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

LIFE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2021

Current and Deferred Taxation (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:

	2021 £	2020 £
Auditor's fees	-	-

4. DIRECTORS AND STAFF

The directors, who were the only employees of the company, received no remuneration. (2020:£Nil)

LIFE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2021

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

Major components of tax expense

	2021 £	2020 £
Current tax		
UK current tax expense	(3,970)	(286)
Deferred tax		
Origination and reversal of timing differences	83,964	62,127
On property revaluations	244,435	-
Prior year adjustment	30,886	-
	<u>355,315</u>	<u>61,841</u>

Reconciliation of tax expense

The tax assessed on the result on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19% (2019: 19%).

	2021 £	2020 £
Profit on ordinary activities before taxation	<u>1,901,638</u>	<u>325,477</u>
Profit on ordinary activities by rate of tax of 19% (2020: 19%)	361,311	61,841
Difference on tax on properties	(36,882)	-
Prior year adjustment	30,886	-
	<u>355,315</u>	<u>61,841</u>

7. TANGIBLE ASSETS

	Investment Properties £
COST OR VALUATION	
At 1 April 2020	11,329,778
Additions	1,500,312
Revaluations	1,480,624
At 31 March 2021	<u>14,310,713</u>
NET BOOK VALUE	
At 31 March 2021	<u>14,310,713</u>
At 31 March 2020	<u>11,329,778</u>

The freehold properties in Hemel Hempstead, Crown Mews in Peterborough, Hightrees in Enfield, Warwick Manor and Shakespeare in Bedford and the leasehold properties in Stevenage were valued by Eddisons Taylors, Chartered Surveyors on 25th February 2021 on an open market value basis. The Directors believe this valuation is not materially different to the value as at the 31st March 2021.

LIFE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2021

8. DEBTORS

	2021 £	2020 £
Trade debtors	54,087	129,267
Prepayments	1,762	39,259
	<u>55,849</u>	<u>168,526</u>

9. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Accruals	<u>3,600</u>	<u>7,456</u>

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

	2021 £	2020 £
Amounts owed to parent undertaking	<u>8,812,406</u>	<u>7,780,569</u>

Glenholme Specialist Healthcare (Northern Region) Limited has a loan £9.25m of which the company is a guarantor. This 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 2021

11. DEFERRED TAXATION

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

	2021 £	2020 £
Provision brought forward	201,427	139,300
Increase in provision	355,315	62,127
	<u>556,742</u>	<u>201,427</u>

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

	2021 £	2020 £
Excess of taxation allowances over depreciation on fixed assets	176,977	62,127
Tax losses	(3,970)	-
Revaluation of properties	383,735	139,300
	<u>556,742</u>	<u>201,427</u>

12. SHARE CAPITAL

Allotted, called up and fully paid:

	No	2021 £	No	2020 £
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 2021

13. REVALUATION RESERVE

	2021 £	2020 £
Balance brought forward	1,095,353	1,095,353
Transfers from other reserves	1,236,189	-
Balance carried forward	<u>2,331,542</u>	<u>1,095,353</u>

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

14. PROFIT AND LOSS ACCOUNT

	2021 £	2020 £
Balance brought forward	859,942	596,307
Profit for the financial year	1,546,323	263,636
Transfer to revaluation reserve	(1,236,189)	-
Balance carried forward	<u>1,170,077</u>	<u>859,942</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. CAPITAL COMMITMENTS

The company has no capital commitments as at 31st March 2021 (2020: £1,495,000)

17. ULTIMATE PARENT COMPANY

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

18. OPERATING LEASES

The Group had the following total commitments under non cancellable property operating leases:

	2021 £	2020 £
<1 year	2,600	2,600
Between 1 and 5 years	10,400	10,400
>5 years	283,400	286,000
	<u>296,400</u>	<u>299,000</u>

The above represents the ground rent on 10 leasehold flats for the 114 years remaining with an annual charge of £2,600