

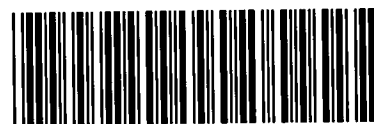
# GLENHOLME HEALTHCARE LIMITED

FINANCIAL STATEMENTS

31 MARCH 2018

Glenholme  
Group

THURSDAY



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COMPANIES HOUSE

# **GLENHOLME HEALTHCARE LIMITED**

(formerly GLENHOLME MENTAL HEALTHCARE LIMITED)

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2018**

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**GLENHOLME HEALTHCARE LIMITED**  
(formerly GLENHOLME MENTAL HEALTHCARE LIMITED)

**OFFICERS AND PROFESSIONAL ADVISERS**

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**THE BOARD OF DIRECTORS**

K W Phippen  
D M Serratt  
G P Macalister  
S J McLaughlan

**COMPANY SECRETARY**

S A Hurrell

**REGISTERED OFFICE**

79 High Street  
Eton  
Windsor  
Berkshire  
SL4 6AF

**AUDITOR**

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

# GLENHOLME HEALTHCARE LIMITED

(formerly GLENHOLME MENTAL HEALTHCARE LIMITED)

## STRATEGIC REPORT

YEAR ENDED 31 MARCH 2018

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

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was the provision of care to patients with mental health, learning and physical disabilities.

At 31<sup>st</sup> March 2017 the parent company purchased the remaining 25% minority interest of the company. At that date the company agreed to acquire the trade and assets of Glenholme Living Solutions Limited (formerly Green Oak Living Solutions) Limited.

The company opened Peterborough (Crown Mews) and Enfield supported living services during the year, although both services were slow to fill. Bedford is due to open in July 2018 and Hemel 2 is currently under construction and expected to open in July 2019.

On the 14<sup>th</sup> December 2018 the company acquired the trade and assets of Glenholme Haddon House Limited (formerly Living with Autism Limited) which comprise the residential care home known as Haddon House in Peterborough. The acquisition is performing to expectations.

It is the intention of the group to continue to expand its residential and supported living services for individuals with mental health, physical and learning disabilities. However, as opportunities arise, the Board will consider other health care related services. Full details of the group can be found on the group website, [www.glenholme.org.uk](http://www.glenholme.org.uk).

The company now has the following residential services:

Finchley	18 beds	Mental health	
Haddon House Peterborough	15 beds	Learning and physical disabilities	Acquired Dec 17

The group also has the following supported living services:

Hemel Hempstead	9 flats	Learning and physical disabilities	
Stevenage	9 flats	Learning and physical disabilities	
Enfield	11 rooms	Mental health	Opened Oct 18
Crown Mews Peterborough	12 rooms	Learning and physical disabilities	Opened Jan 18
Bedford	8 beds	Learning and physical disabilities	Opening July 18
Hemel 2	8 flats	Learning and physical disabilities	Opening July 19

As can be seen above, the group opened or are about to open, a significant number of new services. The financial performance of these services has yet to be reflected in the results and Directors look towards the next financial year with optimism.

Margins suffered in the year due to:

- the start up costs of the new homes above, and
- the minimum wage increases and the introduction of pensions auto enrolment not being fully recovered from our customers

### 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	2,520,637	909,979
Gross profit %	24%	32%
<b>EBITDA</b>	<b>484,602</b>	<b>373,471</b>
Number of employees	87	18
Residential beds	30	18
Residential Occupancy %	76%	89%
Clients under supported living	29	4

# **GLENHOLME HEALTHCARE LIMITED**

(formerly GLENHOLME MENTAL HEALTHCARE LIMITED)

## **STRATEGIC REPORT**

**YEAR ENDED 31 MARCH 2018**

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### **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 and improving quality, and customer satisfaction
- (b) Maintaining and improving quality standards with the Care Commission
- (c) Maintaining working capital during periods of growth
- (d) The inherent risk attached to the acquisition of new companies and businesses
- (e) Retention and recruitment of staff with appropriate skills

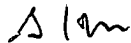
The group has successfully controlled and managed these risks by:

- (a) Internal quality audits
- (b) Staff training and development program
- (c) Staff exit interviews
- (d) Regular cash flow forecasts and cash collection
- (e) Board level due diligence teams for acquisitions
- (f) Maintaining profitability
- (g) Monitoring occupancy levels

### **FUTURE DEVELOPMENTS**

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

Approved by the directors on 1<sup>st</sup> November 2018 and signed on their behalf by:



**S A Hurrell**  
*Company Secretary*

# **GLENHOLME HEALTHCARE LIMITED**

Formerly GLENHOLME MENTAL HEALTHCARE LIMITED

## **DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 31 MARCH 2018**

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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 providing care for service users with learning disabilities, physical disabilities and mental health.

### **DIRECTORS**

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

K W Phippen  
D M Serratt  
G P Macalister  
S J McLaughlan

### **CHANGE OF NAME**

The company changed its name from Glenholme Mental Healthcare Limited to Glenholme Healthcare Limited on 9<sup>th</sup> May 2017

### **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 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 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.

**GLENHOLME HEALTHCARE LIMITED**  
Formerly GLENHOLME MENTAL HEALTHCARE LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2018

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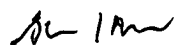
**AUDITOR**

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

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they 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.

Signed on behalf of the directors on 1<sup>st</sup> November 2018



**S A Hurrell**

*Company secretary*

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

# **GLENHOLME HEALTHCARE LIMITED**

**(formerly GLENHOLME MENTAL HEALTHCARE LIMITED)**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GLENHOLME HEALTHCARE LIMITED**

**YEAR ENDED 31 MARCH 2018**

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### **Opinion**

We have audited the financial statements of Glenholme Healthcare 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.



# **GLENHOLME HEALTHCARE LIMITED**

**(formerly GLENHOLME MENTAL HEALTHCARE LIMITED)**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GLENHOLME HEALTHCARE LIMITED**

**YEAR ENDED 31 MARCH 2018**

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### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 4, 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.

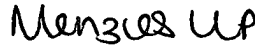
### **Auditor's responsibilities for the audit of the financial statements**

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](http://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

**GLENHOLME HEALTHCARE LIMITED**  
(formerly GLENHOLME MENTAL HEALTHCARE LIMITED)

**STATEMENT OF COMPREHENSIVE INCOME**

**YEAR ENDED 31 MARCH 2018**

	Notes	2018 £	2017 £
<b>TURNOVER</b>		2,520,637	909,979
Cost of sales		(1,925,640)	(564,367)
<b>GROSS PROFIT</b>		594,997	345,612
Administrative expenses		(173,058)	(52,708)
<b>OPERATING PROFIT</b>	3	421,939	292,904
Interest payable and similar charges	5	(46,093)	(43,477)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		375,846	249,427
Tax on profit on ordinary activities	6	(78,000)	(47,197)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		297,846	202,230
Revaluation of tangible assets		453,736	-
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>		453,736	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		751,582	202,230

Turnover arose from the principal activity.

All the activities of the company are from continuing operations.

The notes on pages 11 to 19 form part of these financial statements.

**GLENHOLME HEALTHCARE LIMITED**  
(formerly GLENHOLME MENTAL HEALTHCARE LIMITED)

STATEMENT OF FINANCIAL POSITION

31 MARCH 2018

	Notes	£	2018 £	£	2017 £
<b>FIXED ASSETS</b>					
Tangible assets	8		5,079,505		2,450,329
<b>CURRENT ASSETS</b>					
Stock	9	1,634		394	
Debtors	10	106,939		389,893	
Cash at bank		2,832		2,961	
		<u>111,405</u>		<u>393,248</u>	
<b>CREDITORS: Amounts falling due within one year</b>	11	<u>(1,747,318)</u>		<u>(101,598)</u>	
<b>NET CURRENT ASSETS</b>			<u>(1,635,913)</u>		<u>291,650</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			3,443,592		2,741,979
<b>CREDITORS: Amounts falling due after more than one year</b>	12		(1,092,000)		(1,183,000)
Deferred taxation	13		(244,808)		(203,777)
<b>NET ASSETS</b>			<u>2,106,784</u>		<u>1,355,202</u>
<b>CAPITAL AND RESERVES</b>					
Called-up equity share capital	15		980,000		980,000
Revaluation reserve	16		1,534,625		1,093,525
Profit and loss account	17		<u>(407,841)</u>		<u>(718,323)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>2,106,784</u>		<u>1,355,202</u>

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



.....  
S J McLaughlan

Company Registration Number: 07446940

The notes on pages 11 to 19 form part of these financial statements.

**GLENHOLME HEALTHCARE LIMITED**  
(formerly GLENHOLME MENTAL HEALTHCARE LIMITED)

**STATEMENT OF CHANGES IN EQUITY**  
**31 MARCH 2018**

	Called up share capital £	Revaluation Reserve £	Profit and Loss account £	Total £
<b>At 1 April 2016</b>	980,000	1,098,718	(925,746)	1,152,972
Profit for the financial year	-	-	202,230	202,230
Reclassification from revaluation reserve to profit and loss account	-	(5,193)	5,193	-
<b>At 31 March 2017</b>	980,000	1,093,525	(718,323)	1,355,202
Profit for the financial year	-	-	297,846	297,846
Revaluation of tangible fixed assets	-	453,736	-	453,736
Reclassification from revaluation reserve to profit and loss account	-	(12,636)	12,636	-
<b>At 31 March 2018</b>	980,000	1,534,625	(407,841)	2,106,784

The notes on pages 11 to 19 form part of these financial statements.

# **GLENHOLME HEALTHCARE LIMITED**

(formerly GLENHOLME MENTAL HEALTHCARE LIMITED)

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2018**

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### **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'.

Glenholme Healthcare Limited (formerly Glenholme Mental Healthcare 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**

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of properties measured at fair value.

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 Holding Company 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 at the fair value of the consideration received or receivable for goods supplied, rents receivable and services rendered, net of discounts and Value Added Tax where applicable.

# **GLENHOLME HEALTHCARE LIMITED**

(formerly GLENHOLME MENTAL HEALTHCARE LIMITED)

## **Notes to the Financial Statements (continued)**

**Year ended 31 March 2018**

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### **2 ACCOUNTING POLICIES continued**

#### **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 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.

#### **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.

#### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - over 5 years

# **GLENHOLME HEALTHCARE LIMITED**

(formerly GLENHOLME MENTAL HEALTHCARE LIMITED)

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2018**

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### **2 ACCOUNTING POLICIES continued**

#### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

#### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Property	- over 50 years
Freehold Land	- no depreciation
Motor vehicles	- 20% straight line
Equipment	- 20%-33% straight line

#### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### **Financial instruments**

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 entity after deducting all of its financial liabilities.

**GLENHOLME HEALTHCARE LIMITED**  
(formerly GLENHOLME MENTAL HEALTHCARE LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2017**

**3. OPERATING (LOSS) / PROFIT**

Operating (loss) /profit is stated after charging:

	2018 £	2017 £
Depreciation of owned fixed assets	62,663	80,567
Auditor's fees	<u>8,023</u>	<u>3,130</u>

**4. DIRECTORS AND STAFF**

The average number of persons employed by the company during the year, including the directors, amounted to:

	2018 No	2017 No
Care staff	<u>87</u>	<u>18</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2018 £	2017 £
Wages and salaries	1,413,418	310,816
Social security costs	102,918	22,997
Pension contributions	8,221	-
	<u>1,524,257</u>	<u>333,813</u>

No director who is not also a holding company director received any remuneration

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	2018 £	2017 £
Interest payable on bank borrowing	<u>46,093</u>	<u>43,477</u>



**GLENHOLME HEALTHCARE LIMITED**  
(formerly GLENHOLME MENTAL HEALTHCARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

**6. TAX ON PROFIT ON ORDINARY ACTIVITIES**

**Major components of tax expense**

	2018 £	2017 £
<b>Current tax</b>		
UK current tax expense	73,214	65,669
<b>Deferred tax</b>		
Origination and reversal of timing differences	4,786	(10,416)
Prior year amendment	-	(8,056)
	<u>78,000</u>	<u>47,197</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%).

	£	£
Profit / (loss) on ordinary activities before taxation	<u>375,846</u>	<u>249,427</u>
Profit on ordinary activities by rate of tax of 19% (2017: 20%)	71,410	49,885
Effect of expenses not deductible for tax purposes	25	-
Depreciation on non eligible assets	6,565	4,820
Prior year amendment	-	(7,443)
Change in rate of deferred taxation to 19%	-	(65)
	<u>78,000</u>	<u>47,197</u>

**7. INTANGIBLE FIXED ASSETS**

**COST & AMORTISATION**

At 1 April 2017 and 31 March 2018

**Goodwill**  
£

1,677,415

**NET BOOK VALUE**

At 31 March 2017 and 31 March 2018

-

**GLENHOLME HEALTHCARE LIMITED**  
(formerly GLENHOLME MENTAL HEALTHCARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

**8. TANGIBLE FIXED ASSETS**

	Land and buildings £	Motor Vehicles £	Fixtures, Fittings & equipment £	Total £
<b>COST OR REVALUATION</b>				
At 1 April 2017	2,454,346	11,477	66,536	2,532,359
Additions	800	4,200	74,340	79,340
Disposals	-	-	(21,066)	(21,066)
Revaluation	445,654	-	-	445,654
Transfer from group companies	2,100,000	(2,200)	49,360	2,147,160
<b>At 31 March 2018</b>	<b>5,000,800</b>	<b>13,477</b>	<b>169,170</b>	<b>5,183,447</b>
<b>DEPRECIATION</b>				
At 1 April 2017	24,098	8,888	49,044	82,030
Charge for the year	34,629	3,342	24,692	62,663
Disposals	-	-	(21,066)	(21,066)
Revaluation	(48,196)	-	-	(48,196)
Transfer from group companies	-	(549)	29,060	28,511
<b>At 31 March 2018</b>	<b>10,531</b>	<b>11,681</b>	<b>81,730</b>	<b>103,942</b>
<b>NET BOOK VALUE</b>				
<b>At 31 March 2018</b>	<b>4,990,269</b>	<b>1,796</b>	<b>87,440</b>	<b>5,079,505</b>
At 31 March 2017	2,430,248	2,589	17,492	2,450,329

The freehold property in Peterborough known as Haddon House was valued on acquisition by Knight Frank, Chartered Surveyors on 10 November 2017.

The freehold properties in Finchley were valued by Eddisons Taylor, Chartered Surveyors on 28<sup>th</sup> December 2017 on an open market value basis. This valuation is not materially different to the value as at the year end.

Had the land and buildings not been re-valued:	<b>2018</b>	<b>2017</b>
	£	£
Cost	3,246,144	1,145,344
Accumulated depreciation	(92,613)	(70,620)
	<b>3,153,531</b>	<b>1,074,724</b>
Charge for the year	<b>21,993</b>	<b>57,461</b>

**9. STOCK**

	<b>2018</b>	<b>2017</b>
	£	£
Finished goods	<b>1,634</b>	<b>394</b>

**GLENHOLME HEALTHCARE LIMITED**  
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

**10. DEBTORS**

	2018 £	2017 £
Trade debtors	59,286	62,665
Amounts owed by group undertakings	-	301,107
Other debtors	2,272	972
Prepayments	45,381	25,149
	<u>106,939</u>	<u>389,893</u>

**11. CREDITORS: Amounts falling due within one year**

	2018 £	2017 £
Bank loans	443,563	91,000
Other taxation and social security	6,157	-
Other creditors	33,047	-
Amounts owed to parent company	1,250,582	-
Accruals	13,969	10,598
	<u>1,747,318</u>	<u>101,598</u>

The bank loan is secured by a legal charge over the assets held by the company.

**12. CREDITORS: Amounts falling due after more than one year**

	2018 £	2017 £
Bank loans and overdrafts	<u>1,092,000</u>	<u>1,183,000</u>

Analysis of bank loans is as follows:

	2018 £	2017 £
Due < 1 year	443,563	91,000
Due > 1 year and < 5 years	1,092,000	341,250
Due > 5 years	-	841,750
	<u>1,535,563</u>	<u>1,274,000</u>

The bank loan is secured by a legal charge over all the assets held by the company and accrues interest at 3.0% above the bank base rate.

**13. DEFERRED TAXATION**

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

	2018 £	2017 £
Provision brought forward	203,777	222,549
Charged / released to profit and loss account	4,786	(11,029)
Charged / (released) to the revaluation reserve	40,114	(7,443)
Trf from fellow group company	(3,869)	(300)
	<u>244,808</u>	<u>203,777</u>

**GLENHOLME HEALTHCARE LIMITED**  
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

**13. DEFERRED TAXATION continued**

The deferred tax asset transferred is represented by:

	£
Excess of taxation allowances over depreciation on fixed assets	(17,923)
On property revaluation	55,104
Less losses carried forward	(41,050)
	<u>(3,869)</u>

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

	2018 £	2017 £
Excess of taxation allowances over depreciation on fixed assets	(22,328)	936
Short term timing difference	(135)	-
On property revaluation	298,059	202,841
Less losses carried forward	(30,788)	-
	<u>244,808</u>	<u>203,777</u>

**14. 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.

**15. SHARE CAPITAL**

Allotted, called up and fully paid:

	2018		2017	
	No	£	No	£
Ordinary shares of £1 each	<u>980,000</u>	<u>980,000</u>	<u>980,000</u>	<u>980,000</u>

**16. REVALUATION RESERVE**

	2018 £	2017 £
Balance brought forward	1,093,525	1,098,718
Revaluation during the year	453,736	-
Transfer to the profit and loss account	(12,636)	(5,193)
Balance carried forward	<u>1,534,625</u>	<u>1,093,525</u>

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

# GLENHOLME HEALTHCARE LIMITED

(formerly GLENHOLME MENTAL HEALTHCARE LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

### 17. PROFIT AND LOSS ACCOUNT

	2018	2017
	£	£
Balance brought forward	(718,323)	(925,746)
Profit for the financial year	297,846	202,230
Transfer from revaluation reserve	12,636	5,193
Balance carried forward	<u>(407,841)</u>	<u>(718,323)</u>

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

### 18. ASSETS / LIABILITIES ACQUIRED ON ACQUISITION

On the 14<sup>th</sup> December the company acquired the trade, assets and liabilities of Glenholme Haddon House Limited (formerly known as Living with Autism Limited). At the date of acquisition the consideration and asset and liabilities acquired were as follows:

	£
Fixed assets	2,120,300
Stock	-
Deferred income	(6,075)
Cash at bank	27,984
Creditors	(85,362)
Related party loan	(1,956,547)
Deferred tax asset	3,869
Net assets	<u>104,169</u>
Consideration	1
Acquisition costs	<u>37,454</u>
Goodwill (negative)	<u>66,714</u>

During the year the trade associated with Glenholme Haddon House Limited contributed turnover of £247,903 and EBITDA of £54,012 in the period ending 31<sup>st</sup> March 2018.

### 19. 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.