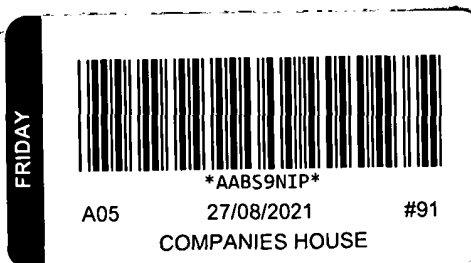


**GLENHOLME SPECIALIST HEALTHCARE
(NORTHERN REGION) LIMITED**

FINANCIAL STATEMENTS

31 MARCH 2021

Glenholme
Group



GLENHOLME SPECIALIST HEALTHCARE (NORTHERN REGION) LIMITED
(FORMERLY GLENHOLME HEALTHCARE LIMITED)

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

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GLENHOLME SPECIALIST HEALTHCARE (NORTHERN REGION) LIMITED
(FORMERLY GLENHOLME HEALTHCARE LIMITED)

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

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

COMPANY SECRETARY

S J McLaughlan

REGISTERED OFFICE

79 High Street
Eton
Windsor
Berkshire
SL4 6AF

GLENHOLME SPECIALIST HEALTHCARE (NORTHERN REGION) LIMITED (FORMERLY GLENHOLME HEALTHCARE LIMITED)

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2021

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

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.

The company opened Marlowes 2 in January 2020, Shakespeare Road in Bedford in May 2020 and Shakespeare Road in Bedford in September 2020.

It is the intention of the company 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 company can be found on the group website, www.glenholme.org.uk.

The company now has the following residential services:

Finchley	18 beds	Mental health and learning and physical disabilities
Haddon House Peterborough	15 beds	Learning & physical disabilities

The company also has the following supported living services:

Marlowes, Hemel Hempstead	9 flats	Learning & physical disabilities	
Marlowes 2 Hemel Hempstead	8 flats	Learning & physical disabilities	Opened January 2020
Vincent Place, Stevenage	11 flats	Learning & physical disabilities	
Hightrees, Enfield	11 rooms	Mental health and learning and physical disabilities	
Crown Mews Peterborough	12 rooms	Learning & physical disabilities	
Warwick Manor Bedford	9 flats	Learning & physical disabilities	
Shakespeare Rd, Bedford	6 rooms	Learning & physical disabilities	Opened May 2020
Holdingham Lodge, Sleaford	12 flats	Learning & physical disabilities	Opened Sept 2020

The company opened, a significant number of new services in the year. Some of the services opened in previous years and the services opened in the current year have yet to achieve their expected trading performance and Directors look towards the next financial year with optimism.

Margins in the year were impacted by:

- the minimum wage increases not being fully recovered from our customers
- the start up costs of the new homes above (Marlowes 2, Shakespeare Road and Holdingham Lodge),
- drop in occupancy in the occupancy in Finchley, offset by occupancy improvements in Warwick Manor.

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	7,348,565	6,091,354
Gross profit %	25%	26%
EBITDA	1,206,303	1,016,954
Number of employees	236	195
Residential beds	33	33
Residential Occupancy %	88%	93%
Clients under supported living	52	42

GLENHOLME SPECIALIST HEALTHCARE (NORTHERN REGION) LIMITED
(FORMERLY GLENHOLME HEALTHCARE LIMITED)

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2021

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) Covid 19 impact on both staff and residents
- (b) Deterioration in quality of care and support.
- (c) Difficult relationships with the relevant regulatory agencies.
- (d) Maintaining working capital sufficient to meet the needs of the group.
- (e) Miscalculating risk associated with new acquisition and new development project.
- (f) Retention and recruitment of staff for all skill levels required to maintain high levels of care.
- (g) Differential inflation caused by inflationary pressures in cost base not being matched by longer term contracts.

The company has successfully controlled and managed these risks by:

- (a) Stringent infection control procedures and staff isolation.
- (b) Requirement for all staff to be vaccinated.
- (c) Internal Quality Audits.
- (d) Staff training and development program.
- (e) Regular service user, staff and relative surveys.
- (f) Continued evaluation of the cash flow needs of the Group.
- (g) Board level due diligence relating to ongoing operations and potential development activity.

FUTURE DEVELOPMENTS

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

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



Kent Phippen
Managing Director

GLENHOLME SPECIALIST HEALTHCARE (NORTHERN REGION) LIMITED (FORMERLY GLENHOLME HEALTHCARE 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 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

NAME CHANGE

The company changed its name from Glenholme Healthcare Limited to Glenholme Specialist Healthcare (Northern Region) Limited on 31st March 2021.

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 £164,210 to £684,208.

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.

GLENHOLME SPECIALIST HEALTHCARE (NORTHERN REGION) LIMITED
(FORMERLY GLENHOLME HEALTHCARE LIMITED)

DIRECTORS REPORT

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.

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.

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



S J McLaughlan
Company secretary

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

GLENHOLME SPECIALIST HEALTHCARE (NORTHERN REGION) LIMITED
(FORMERLY GLENHOLME HEALTHCARE LIMITED)

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
TURNOVER		7,348,565	6,091,354
Cost of sales		(5,495,409)	(4,535,399)
GROSS PROFIT		1,853,156	1,555,955
Administrative expenses		(797,037)	(680,859)
OPERATING PROFIT	3	1,056,119	875,096
Interest payable and similar charges	5	(293,532)	(330,587)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		762,587	544,509
Tax on profit on ordinary activities	6	(147,716)	(116,275)
PROFIT FOR THE FINANCIAL YEAR		614,871	428,234
OTHER COMPREHENSIVE INCOME FOR THE YEAR			
Revaluation of tangible assets		1,183,297	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,798,168	428,234

Turnover arose from the principal activity.

All the activities of the company are from continuing operations.

The notes on pages 9 to 17 form part of these financial statements.

GLENHOLME SPECIALIST HEALTHCARE (NORTHERN REGION) LIMITED
(FORMERLY GLENHOLME HEALTHCARE LIMITED)

STATEMENT OF FINANCIAL POSITION

31 MARCH 2021

	Notes	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible assets	8		6,607,234		5,173,907
CURRENT ASSETS					
Stock	9	2,640		2,585	
Debtors	10	6,757,440		6,608,960	
Cash at bank		308,622		266,909	
			<u>7,068,702</u>	<u>6,878,454</u>	
CREDITORS: Amounts falling due within one year	11	(926,912)		(852,956)	
NET CURRENT ASSETS			<u>6,141,790</u>		<u>6,025,498</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>12,749,024</u>		<u>11,199,405</u>
CREDITORS: Amounts falling due after more than one year	12		(7,672,500)		(8,132,500)
Deferred taxation	13		(519,998)		(308,547)
NET ASSETS			<u>4,556,526</u>		<u>2,758,358</u>
CAPITAL AND RESERVES					
Called-up equity share capital	15		980,000		980,000
Revaluation reserve	16		2,666,658		1,500,449
Profit and loss account	17		909,868		277,909
SHAREHOLDERS' FUNDS			<u>4,556,526</u>		<u>2,758,358</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 479A of 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 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: 07446940

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

GLENHOLME SPECIALIST HEALTHCARE (NORTHERN REGION) LIMITED
(FORMERLY GLENHOLME HEALTHCARE LIMITED)

STATEMENT OF CHANGES IN EQUITY

31 MARCH 2021

	Called up share capital £	Revaluation Reserve £	Profit and Loss account £	Total £
At 1 April 2019	980,000	1,517,537	(167,414)	2,330,123
Profit for the financial year	-	-	428,235	428,235
Revaluation of tangible fixed assets	-	-	-	-
Reclassification from revaluation reserve to profit and loss account	-	(17,088)	17,088	-
At 31 March 2020	980,000	1,500,449	277,909	2,758,358
Profit for the financial year	-	-	614,871	614,871
Revaluation of tangible fixed assets	-	1,183,297	-	1,183,297
Reclassification from revaluation reserve to profit and loss account	-	(17,088)	17,088	-
At 31 March 2021	<u>980,000</u>	<u>2,666,658</u>	<u>909,868</u>	<u>4,556,526</u>

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

GLENHOLME SPECIALIST HEALTHCARE (NORTHERN REGION) LIMITED (FORMERLY GLENHOLME HEALTHCARE 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'.

Glenholme Specialist Healthcare (Northern Region) Limited (formerly Glenholme Healthcare Limited) is a private company 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 SPECIALIST HEALTHCARE (NORTHERN REGION) LIMITED
(FORMERLY GLENHOLME HEALTHCARE LIMITED)

Notes to the Financial Statements (continued)

Year ended 31 March 2021

2 ACCOUNTING POLICIES continued

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 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 SPECIALIST HEALTHCARE (NORTHERN REGION) LIMITED **(FORMERLY GLENHOLME HEALTHCARE LIMITED)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

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%-25% 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 SPECIALIST HEALTHCARE (NORTHERN REGION) LIMITED
(FORMERLY GLENHOLME HEALTHCARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

3. OPERATING PROFIT

Operating profit is stated after charging:

	2021 £	2020 £
Depreciation of owned fixed assets	150,184	141,858
Auditor's fees	18,400	16,800
Operating property lease costs:	<u>8,928</u>	<u>10,180</u>

4. DIRECTORS AND STAFF

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

	2021 No	2020 No
Care staff	<u>236</u>	<u>195</u>

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

	2021 £	2020 £
Wages and salaries	4,230,263	3,165,070
Social security costs	284,352	207,616
Pension contributions	25,682	76,314
	<u>4,540,297</u>	<u>3,449,000</u>

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

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2021 £	2020 £
Interest payable on bank borrowing	<u>293,532</u>	<u>330,587</u>

GLENHOLME SPECIALIST HEALTHCARE (NORTHERN REGION) LIMITED
(FORMERLY GLENHOLME HEALTHCARE 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	164,453	97,661
Deferred tax		
Origination and reversal of timing differences	(16,314)	18,614
Prior year expense	(423)	-
	<u>147,716</u>	<u>116,275</u>

Reconciliation of tax expense

The tax assessed on the result on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 19% (2020: 19%).

	£	£
Profit / (loss) on ordinary activities before taxation	<u>762,587</u>	<u>544,510</u>
Profit on ordinary activities by rate of tax of 19% (2020: 19%)	144,892	103,457
Depreciation on non eligible assets	3,247	12,818
Prior year expense	(423)	-
	<u>147,716</u>	<u>116,275</u>

7. INTANGIBLE FIXED ASSETS

Goodwill
£

COST & AMORTISATION

At 1 April 2020 and 31 March 2021

1,677,415

NET BOOK VALUE

At 31 March 2020 and 31 March 2021

-

GLENHOLME SPECIALIST HEALTHCARE (NORTHERN REGION) LIMITED
(FORMERLY GLENHOLME HEALTHCARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

8. TANGIBLE FIXED ASSETS

	Land and buildings £	Motor Vehicles £	Fixtures, Fittings & equipment £	Total £
COST OR REVALUATION				
At 1 April 2020	5,104,816	20,750	369,315	5,494,881
Additions	9,194	-	162,832	172,026
Revaluation	1,200,990	-	-	1,200,990
At 31 March 2021	6,315,000	20,750	532,147	6,867,897
DEPRECIATION				
At 1 April 2020	142,790	6,917	171,267	320,974
Charge for the year	67,705	4,812	77,667	150,184
Revaluation	(210,495)	-	-	(210,495)
At 31 March 2021	-	11,729	248,934	260,663
NET BOOK VALUE				
At 31 March 2021	6,315,000	9,021	283,213	6,607,234
At 31 March 2020	4,962,026	13,833	198,049	5,173,907

The freehold properties were valued by Eddisons Taylor, Chartered Surveyors on 28th February 2021 on an open market value basis. The directors are of the opinion the valuation is not materially different to the value as at the year end.

Had the land and buildings not been re-valued:	2021	2020
	£	£
Cost	3,359,355	3,350,161
Accumulated depreciation	(182,155)	(190,711)
	<u>3,177,200</u>	<u>3,159,450</u>
Charge for the year	<u>50,602</u>	<u>49,720</u>

9. STOCK

	2021	2020
	£	£
Finished goods	<u>2,640</u>	<u>2,585</u>

GLENHOLME SPECIALIST HEALTHCARE (NORTHERN REGION) LIMITED
(FORMERLY GLENHOLME HEALTHCARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

10. DEBTORS

	2021	2020
	£	£
Trade debtors	518,654	264,113
Other debtors	1,488	1,488
Amounts owed from parent company	6,142,052	6,211,446
Prepayments	95,246	131,913
	<u>6,757,440</u>	<u>6,608,960</u>

11. CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Bank loans	462,500	462,500
Trade creditors	334,487	297,427
Other creditors	1,688	2,038
Accruals	128,237	90,991
	<u>926,912</u>	<u>852,956</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

	2021	2020
	£	£
Bank loans and overdrafts	<u>7,672,500</u>	<u>8,132,500</u>

Analysis of bank loans is as follows:

	2021	2020
	£	£
Due < 1 year	462,500	462,500
Due > 1 year and < 5 years	7,672,500	8,132,500
	<u>8,135,000</u>	<u>8,595,000</u>

The bank loan is secured by a legal charge over all the assets held by the company and accrues interest at 2.5% to 3.5% above the bank base rate.

13. DEFERRED TAXATION

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

	2021	2020
	£	£
Provision brought forward	308,547	289,933
Charged / released to profit and loss account	(16,737)	18,614
Charged to the revaluation reserve	228,188	-
	<u>519,998</u>	<u>308,547</u>

GLENHOLME SPECIALIST HEALTHCARE (NORTHERN REGION) LIMITED
(FORMERLY GLENHOLME HEALTHCARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

13. DEFERRED TAXATION continued

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	(6,249)	10,488
On property revaluation	526,247	298,059
	<u>519,998</u>	<u>308,547</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:

	2021		2020	
	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

	2021 £	2020 £
Balance brought forward	1,500,449	1,517,537
Revaluations in the year	1,183,297	-
Transfer to the profit and loss account	(17,088)	(17,088)
Balance carried forward	<u>2,666,658</u>	<u>1,500,449</u>

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

GLENHOLME SPECIALIST HEALTHCARE (NORTHERN REGION) LIMITED
(FORMERLY GLENHOLME HEALTHCARE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

17. PROFIT AND LOSS ACCOUNT

	2021	2020
	£	£
Balance brought forward	277,909	(167,414)
Profit for the financial year	614,871	428,235
Transfer from revaluation reserve	17,088	17,088
Balance carried forward	<u>909,868</u>	<u>277,909</u>

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

18. ULTIMATE CONTROLLING 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.

GLENHOLME HEALTHCARE GROUP LIMITED

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

YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of Glenholme Healthcare Group Limited (the 'parent company') and its subsidiaries (the 'Group') for the year ended 31 March 2021 which comprise the consolidated Group Statement of Comprehensive Income, the Group and Company Statement of Financial Position, the consolidated Group Statement of Cash Flows, the consolidated Group and Company Statement of Changes in Equity and related 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 Group and parent Company's affairs as at 31 March 2021 and of the Group and parent company's profit or 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 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 Group and parent 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 Group and parent company's 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 Group 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 Group Strategic Report and the directors' report have been prepared in accordance with applicable legal requirements.

Glenholme
Group

GLENHOLME HEALTHCARE GROUP LIMITED

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

YEAR ENDED 31 MARCH 2021

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 their 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

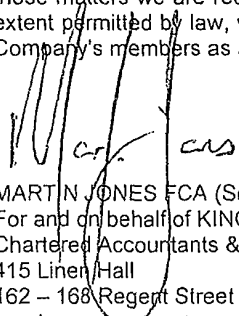
Auditor's responsibilities for the audit of the financial statements

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. This description forms part of our auditor's report.

Use of our Report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.


MARTIN JONES FCA (Senior Statutory Auditor)
For and on behalf of KINGLY BROOKES LLP
Chartered Accountants & Statutory Auditor
415 Liner Hall
162 – 168 Regent Street
London
W1B 5TE

DATE 17/8/2021

Glenholme
Group