

REGISTERED NUMBER: 07604202 (England and Wales)

**STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE PERIOD
1 APRIL 2017 TO 30 JUNE 2018
FOR
ASSISTED LIVING SOUTH WEST GROUP LIMITED**

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for the period 1 April 2017 to 30 June 2018**

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ASSISTED LIVING SOUTH WEST GROUP LIMITED

COMPANY INFORMATION
for the period 1 April 2017 to 30 June 2018

DIRECTORS:

Mrs S B Jalil
Mrs R Kousar

REGISTERED OFFICE:

1110 Elliott Court
Coventry Business Park
Herald Avenue
Coventry
West Midlands
CV5 6UB

BUSINESS ADDRESS:

Kingston House
432-452 High Street
West Bromwich
West Midlands
B70 9LD

REGISTERED NUMBER:

07604202 (England and Wales)

AUDITORS:

Luckmans Duckett Parker Limited
Chartered Accountants
Statutory Auditors
1110 Elliott Court
Herald Avenue
Coventry Business Park
Coventry
West Midlands
CV5 6UB

STRATEGIC REPORT
for the period 1 April 2017 to 30 June 2018

The directors present their strategic report for the period 1 April 2017 to 30 June 2018.

REVIEW OF BUSINESS

The company was acquired by the Reability Group Limited on 19 January 2018. As a result, the year end was amended from 31 March to 30 June to align with Reability Group Limited.

The company has not undertaken any trading activities during the period. However, the company holds fixed asset investments, totalling £3.2 million (Year ending 31 March 2017: £3.2 million)

No dividends will be distributed for the period ending 30 June 2018.

PRINCIPAL RISKS AND UNCERTAINTIES

The key business risks and uncertainties affecting the trading subsidiaries relate to the continued provision of adequate government funding and adhering to stringent regulatory requirements set by the Care Quality Commission (CQC).

ON BEHALF OF THE BOARD:

Mrs S B Jalil - Director

27 March 2019

**REPORT OF THE DIRECTORS
for the period 1 April 2017 to 30 June 2018**

The directors present their report with the financial statements of the company for the period 1 April 2017 to 30 June 2018.

DIVIDENDS

No dividends will be distributed for the period ended 30 June 2018.

DIRECTORS

The directors who have held office during the period from 1 April 2017 to the date of this report are as follows:

Ms D A Berry - resigned 19 January 2018
Mrs S B Jalil - appointed 19 January 2018
Mrs R Kousar - appointed 19 January 2018
A G Lennox - resigned 19 January 2018
P M Moss - resigned 19 May 2017

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that she ought to have taken as a director in order to make herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Luckmans Duckett Parker Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mrs S B Jalil - Director

27 March 2019

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ASSISTED LIVING SOUTH WEST GROUP LIMITED

Opinion

We have audited the financial statements of Assisted Living South West Group Limited (the 'company') for the period ended 30 June 2018 which comprise the Statement of Income and Retained Earnings, Balance Sheet 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 30 June 2018 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 matters 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ASSISTED LIVING SOUTH WEST GROUP LIMITED

Matters on which we are required to report by exception

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

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 Statement of Directors' Responsibilities set out on page three, 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 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.

Auditors' 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 a Report of the Auditors 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 Report of the Auditors.

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 a Report of the Auditors 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.

Mark Spafford ACA FCCA (Senior Statutory Auditor)
for and on behalf of Luckmans Duckett Parker Limited
Chartered Accountants
Statutory Auditors
1110 Elliott Court
Herald Avenue
Coventry Business Park
Coventry
West Midlands
CV5 6UB

27 March 2019

STATEMENT OF INCOME AND RETAINED EARNINGS
for the period 1 April 2017 to 30 June 2018

	Notes	Period 1.4.17 to 30.6.18 £	£	Year Ended 31.3.17 £	£
TURNOVER			-		-
Administrative expenses			-		1,200
OPERATING LOSS	4		-		(1,200)
Income from shares in group undertakings		3,459,263		-	
Losses from non-trading loan relationships		(4,926,860)		-	
			(1,467,597)		-
			(1,467,597)		(1,200)
Interest payable and similar expenses	6		-		269,417
LOSS BEFORE TAXATION			(1,467,597)		(270,617)
Tax on loss	7		-		-
LOSS FOR THE FINANCIAL PERIOD			(1,467,597)		(270,617)
Retained earnings at beginning of period			(529,121)		(258,504)
RETAINED EARNINGS AT END OF PERIOD			(1,996,718)		(529,121)

BALANCE SHEET
30 June 2018

	Notes	2018 £	£	2017 £	£
FIXED ASSETS					
Investments	8		3,203,985		3,203,985
CREDITORS					
Amounts falling due within one year	9	<u>5,200,703</u>	<u>(5,200,703)</u>	<u>3,585,362</u>	<u>(3,585,362)</u>
NET CURRENT LIABILITIES					
TOTAL ASSETS LESS CURRENT LIABILITIES			(1,996,718)		(381,377)
CREDITORS					
Amounts falling due after more than one year	10		<u>-</u>		<u>147,744</u>
NET LIABILITIES			<u>(1,996,718)</u>		<u>(529,121)</u>
RESERVES					
Retained earnings	13		<u>(1,996,718)</u>		<u>(529,121)</u>
SHAREHOLDERS' FUNDS			<u>(1,996,718)</u>		<u>(529,121)</u>

The financial statements were approved by the Board of Directors on 27 March 2019 and were signed on its behalf by:

Mrs S B Jalil - Director

**NOTES TO THE FINANCIAL STATEMENTS
for the period 1 April 2017 to 30 June 2018**

1. STATUTORY INFORMATION

Assisted Living South West Group Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company has net liabilities at the balance sheet date. The company's ultimate parent company has confirmed its support for the company for at least the next 12 months and therefore the financial statements are prepared on the going concern basis.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Preparation of consolidated financial statements

The financial statements contain information about Assisted Living South West Group Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Rehability Group Ltd, 1110 Elliott Court Coventry Business Park, Herald Avenue, Coventry, West Midlands, United Kingdom, CV5 6UB.

Significant judgements and estimates

These financial statements do not contain any significant judgements and estimates.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost less any impairment.

Financial instruments

Financial instruments are accounted for according to their substance, as financial assets, financial liabilities or equity instruments.

Equity instruments are contracts where there exists a residual interest in the assets of a company after deducting all of its liabilities.

Impairment

Assets not measured at fair value are assessed for indications of impairment at each balance sheet date.

Where an asset is deemed to be impaired, an impairment loss is recognised in the profit and loss account.

Impairment arises when there is evidence that the estimated recoverable value of an asset has been reduced.

Where impairment is decreased it is reversed on the individual asset up to the value at which the asset would be had there been no impairment loss.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the period 1 April 2017 to 30 June 2018

2. ACCOUNTING POLICIES - continued

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resource to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

3. EMPLOYEES AND DIRECTORS

There were no staff costs for the period ended 30 June 2018 nor for the year ended 31 March 2017.

	Period 1.4.17 to 30.6.18 £	Year Ended 31.3.17 £
Directors' remuneration	<u>-</u>	<u>-</u>

4. OPERATING LOSS

The operating loss is stated after charging:

	Period 1.4.17 to 30.6.18 £	Year Ended 31.3.17 £
Auditors' remuneration	<u>-</u>	<u>1,200</u>

5. EXCEPTIONAL ITEMS

	Period 1.4.17 to 30.6.18 £	Year Ended 31.3.17 £
Losses from non-trading loan relationships	<u>(4,926,860)</u>	<u>-</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	Period 1.4.17 to 30.6.18 £	Year Ended 31.3.17 £
Bank loan interest	-	10,944
Group Loan interest	<u>-</u>	<u>258,473</u>
	<u>-</u>	<u>269,417</u>

7. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the period ended 30 June 2018 nor for the year ended 31 March 2017.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the period 1 April 2017 to 30 June 2018

8. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
COST	
At 1 April 2017 and 30 June 2018	<u>3,203,985</u>
NET BOOK VALUE	
At 30 June 2018	<u>3,203,985</u>
At 31 March 2017	<u>3,203,985</u>

9. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £	2017 £
Amounts owed to group undertakings	5,200,703	3,489,375
Other creditors	-	94,786
Accrued expenses	-	1,201
	<u>5,200,703</u>	<u>3,585,362</u>

10. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2018 £	2017 £
Other creditors	<u>-</u>	<u>147,744</u>

11. **LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018 £	2017 £
Within one year	194,000	-
Between one and five years	776,000	-
In more than five years	<u>3,388,793</u>	<u>-</u>
	<u>4,358,793</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the period 1 April 2017 to 30 June 2018

12. CALLED UP SHARE CAPITAL

Allotted, called up and fully paid share capital

	2018		2017	
	No.	£	No.	£
Ordinary share of £0.01 each	<u>1</u>	<u>0.01</u>	<u>1</u>	<u>0.01</u>

13. RESERVES

	Retained earnings £
At 1 April 2017	(529,121)
Deficit for the period	<u>(1,467,597)</u>
At 30 June 2018	<u>(1,996,718)</u>

14. ULTIMATE CONTROLLING PARTY

The company's immediate parent company is Assisted Living South West Holdings Limited.

Until 19 January 2018 the ultimate controlling party was Sovereign Capital Partners LLP.

On this date 100% of the share capital of Assisted Living South West Holdings Limited was acquired by Rehability UK Community Limited, a company incorporated in England and Wales.

From 19 January 2018 the company's ultimate controlling party is Rehability Group Limited by virtue of its 100% shareholding in Rehability UK Community Limited.

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