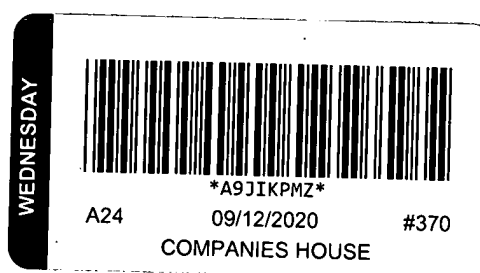


**Springfield Healthcare (The Grange) Limited**

**Financial statements**

**29 March 2020**



# **Springfield Healthcare (The Grange) Limited**

## **Strategic report**

### **period from 1 April 2019 to 29 March 2020**

The directors present their strategic report for the company for the period ended 29 March 2020.

#### **Review of the business in the year**

The principal activity of the company during the period was that of the provision of residential care for the elderly.

The 'Seacroft Grange' care village opened to residents in November 2013, with a registered occupancy level of 95 care beds.

In July 2019 the homes was awarded an overall 'Good' by the Care Quality Commission with a 'Good' rating in four domains and an 'Outstanding' in the Responsive Domain.

The business has made an operating profit before depreciation of £870,318 (2019 - £834,872).

#### **Position of the company's business at the end of the year**

The Balance Sheet demonstrates the significant asset in the business, being the property and fittings. The net assets of the company increased to £1,063,091 (2019 - £658,799) as a result of the operating profit in the year.

In the next financial year, focus will be on the continued delivery of high quality care to elderly residents. The operations team will continue to work closely with regulatory bodies, such as Care Quality Commission (CQC), and local councils, to meet appropriate standards, with the current trading performance and occupancy levels expected to continue.

#### **Principle risks and uncertainties facing the business**

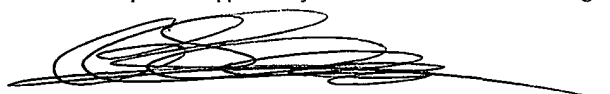
The Covid-19 pandemic, the main effects of which have been since the balance sheet date, has been a very difficult time for all, including the care home sector both nationally and globally. During this time we have focussed on the health and wellbeing of our residents and staff. The Group's board and Infection Prevention Team will continue to work to protect our residents, visitors and staff in order to mitigate the risks associated with Covid-19.

It is not possible to accurately forecast the likelihood, timing, severity and impact of a secondary outbreak. Nonetheless the Springfield Group has strong relationships with both its bankers and institutional investor, the Business Growth Fund, allowing the directors to be confident that support would be provided should it be necessary as a result of a secondary outbreak.

Adult Health and Social Care continues to come under pressure from central government spending cuts. This comes as the need for care home places increases as the population live longer but require increasing care. Following high profile cases of neglect and poor care home facilities the regulatory body (Care Quality Commission) continues to force up standards within the industry. The business faces, as does the rest of the sector, issues over the recruitment and retention of staff. The impact of the National Living Wage increases in recent years, the increase in April 2020 and future increases will have a significant impact on payroll costs for the business and throughout the sector.

The Company and the Springfield Group remains committed to achieving the highest standard of quality within all of its care homes.

This report was approved by the board of directors on 24 August 2020 and signed on behalf of the board by:



Mr G S Lee  
Director

Registered office:  
2 Fusion Court  
Aberford Road  
Garforth  
Leeds  
LS25 2GH

# **Springfield Healthcare (The Grange) Limited**

## **Directors' report**

### **period from 1 April 2019 to 29 March 2020**

The directors present their report and the financial statements of the company for the period ended 29 March 2020.

#### **Directors**

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

Mr G S Lee  
Mr P R Phillips  
Mr T R Jackson

#### **Dividends**

The directors do not recommend the payment of a dividend.

#### **Disclosure of information in the 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 in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the strategic report, 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 period. 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 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 judgments 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.

#### **Auditor**

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have 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.

This report was approved by the board of directors on 24 August 2020 and signed on behalf of the board by:



Mr G S Lee  
Director

Registered office:  
2 Fusion Court  
Aberford Road  
Garforth  
Leeds  
LS25 2GH

# **Springfield Healthcare (The Grange) Limited**

## **Independent auditor's report to the members of Springfield Healthcare (The Grange) Limited**

**period from 1 April 2019 to 29 March 2020**

### **Opinion**

We have audited the financial statements of Springfield Healthcare (The Grange) Limited (the 'company') for the period ended 29 March 2020 which comprise the statement of income and retained earnings, statement of financial position and the related notes, 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 FRS 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 29 March 2020 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

### **Opinions 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 directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

# **Springfield Healthcare (The Grange) Limited**

## **Independent auditor's report to the members of Springfield Healthcare (The Grange) Limited** *(continued)*

### **period from 1 April 2019 to 29 March 2020**

#### **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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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, 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

# **Springfield Healthcare (The Grange) Limited**

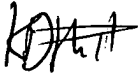
## **Independent auditor's report to the members of Springfield Healthcare (The Grange) Limited** *(continued)*

### **period from 1 April 2019 to 29 March 2020**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **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.



Kevin Hoult BA, FCA (Senior Statutory Auditor)

For and on behalf of  
Sagars Accountants Ltd  
Chartered accountants & statutory auditor  
Gresham House  
5-7 St Paul's Street  
Leeds  
LS1 2JG

3 September 2020

# Springfield Healthcare (The Grange) Limited

## Statement of income and retained earnings

period from 1 April 2019 to 29 March 2020

|   | Note     | Period from<br>1 Apr 19 to<br>29 Mar 20<br>£ | Year to<br>31 Mar 19<br>£ |
|---|----------|--|---------------------------|
| <b>Turnover</b>   | <b>4</b> | <b>4,240,590</b>                             | <b>3,854,761</b>          |
| Cost of sales   |          | <u>(2,779,740)</u>                           | <u>(2,475,375)</u>        |
| <b>Gross profit</b>   |          | <b>1,460,850</b>                             | <b>1,379,386</b>          |
| Administrative expenses   |          | <u>(769,519)</u>                             | <u>(772,184)</u>          |
| <b>Operating profit</b>   | <b>5</b> | <b>691,331</b>                               | <b>607,202</b>            |
| Interest payable and similar expenses                                 | <b>7</b> | <u>(287,039)</u>                             | <u>(228,688)</u>          |
| <b>Profit before taxation</b>   |          | <b>404,292</b>                               | <b>378,514</b>            |
| Tax on profit   | <b>8</b> | <u>—</u>                                     | <u>—</u>                  |
| <b>Profit for the financial period and total comprehensive income</b> |          | <b><u>404,292</u></b>                        | <b><u>378,514</u></b>     |

All the activities of the company are from continuing operations.

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

# Springfield Healthcare (The Grange) Limited

## Statement of financial position

29 March 2020

|  | Note | 29 Mar 20<br>£   | £                       | 31 Mar 19<br>£     | £                     |
|--|------|------------------|-------------------------|--------------------|-----------------------|
| <b>Fixed assets</b>  |      |                  |                         |                    |                       |
| Tangible assets  | 9    |                  | 4,992,528               |                    | 5,055,641             |
| <b>Current assets</b>  |      |                  |                         |                    |                       |
| Stocks   | 10   | 5,000            |                         | 5,000              |                       |
| Debtors  | 11   | 643,596          |                         | 719,113            |                       |
| Cash at bank and in hand                                       |      | 153,533          |                         | 1,812              |                       |
|  |      | <u>802,129</u>   |                         | <u>725,925</u>     |                       |
| <b>Creditors: amounts falling due within one year</b>          | 12   | <u>(662,224)</u> |                         | <u>(1,540,414)</u> |                       |
| <b>Net current assets/(liabilities)</b>                        |      |                  | <u>139,905</u>          |                    | <u>(814,489)</u>      |
| <b>Total assets less current liabilities</b>                   |      |                  | <u>5,132,433</u>        |                    | <u>4,241,152</u>      |
| <b>Creditors: amounts falling due after more than one year</b> | 13   |                  | <u>(4,069,342)</u>      |                    | <u>(3,582,353)</u>    |
| <b>Net assets</b>  |      |                  | <u><u>1,063,091</u></u> |                    | <u><u>658,799</u></u> |
| <b>Capital and reserves</b>                                    |      |                  |                         |                    |                       |
| Called up share capital  | 14   |                  | 1,372,212               |                    | 1,372,212             |
| Share premium account  | 15   |                  | 254,550                 |                    | 254,550               |
| Profit and loss account  | 15   |                  | <u>(563,671)</u>        |                    | <u>(967,963)</u>      |
| <b>Shareholders funds</b>                                      |      |                  | <u><u>1,063,091</u></u> |                    | <u><u>658,799</u></u> |

These financial statements were approved by the board of directors and authorised for issue on 24 August 2020, and are signed on behalf of the board by:



Mr T R Jackson  
Director

Company registration number: 08072432

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



# Springfield Healthcare (The Grange) Limited

## Notes to the financial statements

period from 1 April 2019 to 29 March 2020

### 1. General information

The principle activity of the company during the year was provision of quality residential and nursing care for the elderly.

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is:

2 Fusion Court  
Aberford Road  
Garforth  
Leeds  
LS25 2GH

### 2. Statement of compliance

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

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit and loss.

The company operates a weekly accounting calendar and this year the financial statements are for the 52 weeks to 29 March 2020 (last year 52 weeks to 31 March 2019).

#### Going concern

The directors recognise that the future success of the company is contingent on ensuring the highest quality of care. As described in the Strategic Report of both the company and its parent company SHG (Care Villages) Limited, the group continues to invest in its operations team in order to deliver the highest quality operational care at its existing and planned new homes.

The company has prepared forecasts for the period to 31 March 2022 and subjected these to reasonable sensitivities. The forecasts indicate that the cash flows generated from the company's business activities together with the current level of bank and other funding available to the group will be sufficient to meet the company's requirements and to enable the company to pay its liabilities as they fall due for the foreseeable future.

In arriving at this conclusion, the directors have given due consideration to the impact of the worldwide Covid-19 pandemic on future operations and the ability of the company to continue to operate as a going concern. The directors recognise that the situation remains highly fluid and as a result making accurate forecasts on the likely implications is difficult but the directors do recognise that trading over the coming months could potentially be adversely affected.

Despite this, the directors remain confident that the company can continue to operate as a going concern. This assessment is based on the understanding that the company will continue to trade over the coming months, albeit it at a reduced level than was initially anticipated. This, along with government support and retained reserves will allow the company to continue to meet its obligations as they fall due and operate as a going concern. As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

#### 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 SHG (Care Villages) Limited which can be obtained from 2 Fusion Court, Aberford Road, Garforth, Leeds, LS25 2GH. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

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

# Springfield Healthcare (The Grange) Limited

## Notes to the financial statements *(continued)*

period from 1 April 2019 to 29 March 2020

### 3. Accounting policies *(continued)*

#### Consolidation

The entity has taken advantage of the exemption from preparing consolidated financial statements contained in Section 402 of the Companies Act 2006 on the basis that its subsidiaries are excluded from consolidation on the grounds that their inclusion is not material for the purpose of giving a true and fair view.

#### 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 for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Details of these judgements are set out in the accounting policies.

#### Revenue recognition

Turnover shown in the profit and loss accounts represents amounts invoiced during the year. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, net of Value Added Tax.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

#### Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation.

#### 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   | - | 2% straight line  |
| Fixtures & Fittings | - | 20% Straight Line |

#### Impairment of fixed assets

The directors review tangible fixed assets at the reporting date, and do not consider any impairment is required.

#### 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. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

# Springfield Healthcare (The Grange) Limited

## Notes to the financial statements (continued)

### period from 1 April 2019 to 29 March 2020

#### 3. Accounting policies (continued)

##### Financial instruments (continued)

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### 4. Turnover

Turnover arises from:

|                       | Period from<br>1 Apr 19 to<br>29 Mar 20<br>£ | Year to<br>31 Mar 19<br>£ |
|-----------------------|--|---------------------------|
| Rendering of services | <u>4,240,590</u>                             | <u>3,854,761</u>          |

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

#### 5. Operating profit

Operating profit or loss is stated after charging:

|  | Period from<br>1 Apr 19 to<br>29 Mar 20<br>£ | Year to<br>31 Mar 19<br>£ |
|--|--|---------------------------|
| Depreciation of tangible assets                        | 178,987                                      | 227,670                   |
| Fees payable for the audit of the financial statements | <u>3,850</u>                                 | <u>3,700</u>              |

#### 6. Staff costs

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

|                      | 29 Mar 20<br>No. | 31 Mar 19<br>No. |
|----------------------|------------------|------------------|
| Administrative staff | 9                | 9                |
| Care Team            | <u>136</u>       | <u>138</u>       |
|                      | <u>145</u>       | <u>147</u>       |

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

|                       | Period from<br>1 Apr 19 to<br>29 Mar 20<br>£ | Year to<br>31 Mar 19<br>£ |
|-----------------------|--|---------------------------|
| Wages and salaries    | 1,973,362                                    | 1,954,794                 |
| Social security costs | <u>126,349</u>                               | <u>130,307</u>            |
|                       | <u>2,099,711</u>                             | <u>2,085,101</u>          |

#### 7. Interest payable and similar expenses

|  | Period from<br>1 Apr 19 to<br>29 Mar 20<br>£ | Year to<br>31 Mar 19<br>£ |
|--|--|---------------------------|
| Interest on banks loans and overdrafts     | 63,655                                       | 123,652                   |
| Other interest payable and similar charges | <u>223,384</u>                               | <u>105,036</u>            |
|  | <u>287,039</u>                               | <u>228,688</u>            |

# Springfield Healthcare (The Grange) Limited

## Notes to the financial statements (continued)

### period from 1 April 2019 to 29 March 2020

#### 7. Interest payable and similar expenses (continued)

Interest is charged at an effective rate of 8% compounded on all group inter-company loans.

#### 8. Tax on profit

##### Reconciliation of tax income

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

|   | Period from<br>1 Apr 19 to<br>29 Mar 20<br>£ | Year to<br>31 Mar 19<br>£ |
|---|--|---------------------------|
| Profit on ordinary activities before taxation | 404,292                                      | 378,514                   |
| Profit on ordinary activities by rate of tax  | 102,621                                      | 71,918                    |
| Deferred tax not recognised                   | (102,621)                                    | (71,918)                  |
| Tax on profit                                 | —  | —                         |

#### 9. Tangible assets

|                         | Freehold<br>property<br>£ | Fixtures and<br>fittings<br>£ | Total<br>£       |
|-------------------------|---------------------------|-------------------------------|------------------|
| <b>Cost</b>             |                           |                               |                  |
| At 1 April 2019         | 5,457,073                 | 813,365                       | 6,270,438        |
| Additions               | 4,500                     | 111,374                       | 115,874          |
| <b>At 29 March 2020</b> | <b>5,461,573</b>          | <b>924,739</b>                | <b>6,386,312</b> |
| <b>Depreciation</b>     |                           |                               |                  |
| At 1 April 2019         | 569,575                   | 645,222                       | 1,214,797        |
| Charge for the period   | 109,171                   | 69,816                        | 178,987          |
| <b>At 29 March 2020</b> | <b>678,746</b>            | <b>715,038</b>                | <b>1,393,784</b> |
| <b>Carrying amount</b>  |                           |                               |                  |
| <b>At 29 March 2020</b> | <b>4,782,827</b>          | <b>209,701</b>                | <b>4,992,528</b> |
| At 31 March 2019        | 4,887,498                 | 168,143                       | 5,055,641        |

#### 10. Stocks

|             | 29 Mar 20<br>£ | 31 Mar 19<br>£ |
|-------------|----------------|----------------|
| Consumables | 5,000          | 5,000          |

#### 11. Debtors

|                                    | 29 Mar 20<br>£ | 31 Mar 19<br>£ |
|------------------------------------|----------------|----------------|
| Trade debtors                      | 107,423        | 184,308        |
| Amounts owed by group undertakings | 494,071        | 496,683        |
| Prepayments and accrued income     | 31,377         | 38,122         |
| Other debtors                      | 10,725         | —              |
|                                    | <b>643,596</b> | <b>719,113</b> |

# Springfield Healthcare (The Grange) Limited

## Notes to the financial statements *(continued)*

period from 1 April 2019 to 29 March 2020

### 12. Creditors: amounts falling due within one year

|                                    | 29 Mar 20<br>£ | 31 Mar 19<br>£   |
|------------------------------------|----------------|------------------|
| Bank loans and overdrafts          | –              | 681,407          |
| Trade creditors                    | 173,625        | 64,630           |
| Amounts owed to group undertakings | –              | 270,214          |
| Accruals and deferred income       | 218,313        | 263,367          |
| Social security and other taxes    | 49,554         | 26,948           |
| Other creditors                    | 220,732        | 233,848          |
|                                    | <u>662,224</u> | <u>1,540,414</u> |

The following liabilities disclosed under creditors falling due within one year are secured by the company:

|                           | 2020<br>£      | 2019<br>£      |
|---------------------------|----------------|----------------|
| Bank loans and overdrafts | <u>681,407</u> | <u>680,142</u> |

Security is by a fixed and floating charge over all assets and undertakings of the SHG (Care Villages) Group.

Coutts & Company hold a fixed and floating charge, dated 17th October 2019, over the freehold property and undertakings of the company.

### 13. Creditors: amounts falling due after more than one year

|                                       | 29 Mar 20<br>£   | 31 Mar 19<br>£   |
|---------------------------------------|------------------|------------------|
| Bank loans and overdrafts             | –                | 2,814,139        |
| Amounts owed to group undertakings    | 3,286,728        | –                |
| Other creditor - Business Growth Fund | 782,614          | 768,214          |
|                                       | <u>4,069,342</u> | <u>3,582,353</u> |

All creditors falling due after more than one year are secured by the company. Security is by a fixed and floating charge over all assets and undertakings of the SHG (Care Villages) Group.

Included within creditors: amounts falling due after more than one year is an amount of £782,614 (2019: £1,680,831) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

### 14. Called up share capital

Issued, called up and fully paid

|  | 29 Mar 20        |                  | 31 Mar 19        |                  |
|--|------------------|------------------|------------------|------------------|
|  | No.              | £                | No.              | £                |
| Preferred A Ordinary shares of £1 each | 164,000          | 164,000          | 164,000          | 164,000          |
| Ordinary B shares of £1 each           | 371,788          | 371,788          | 371,788          | 371,788          |
| Ordinary B1 shares of £1 each          | 836,424          | 836,424          | 836,424          | 836,424          |
|  | <u>1,372,212</u> | <u>1,372,212</u> | <u>1,372,212</u> | <u>1,372,212</u> |

# Springfield Healthcare (The Grange) Limited

## Notes to the financial statements *(continued)*

### period from 1 April 2019 to 29 March 2020

#### 14. Called up share capital *(continued)*

The Preferred A Ordinary shares carry a 15% cumulative dividend which is payable in priority to any other class of shares. The Articles of Association allow the distribution of the any residual profits to the holders of the different classes of shares pro rata according to the number of shares held.

In the event of a winding up of the company, any residual funds available for distribution to the shareholders will be made in the following order and priority to the holders of the following classes of shares, preferred A Ordinary shares, B Ordinary shares, B1 Ordinary shares, C Ordinary shares.

An amount of £191,616 (2019 - £167,010 ) of cumulative dividend is owing to the shareholders of the Preferred A Ordinary Shares.

#### 15. Reserves

Share premium account - This reserve records the amount above the nominal value received for shares sold, less transaction costs.

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

#### 16. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

|  | 29 Mar 20     | 31 Mar 19    |
|--|---------------|--------------|
|  | £             | £            |
| Not later than 1 year                        | 8,745         | 2,135        |
| Later than 1 year and not later than 5 years | 15,755        | 2,598        |
|  | <u>24,500</u> | <u>4,733</u> |

#### 17. Contingencies

The company has provided a Guarantee dated 17 October 2019 to Coutts in respect of SHG (Care Villages) Limited, Springfield Healthcare (Seacroft Green) Limited, Springfield Healthcare (The Chocolate Works) Limited, and Springfield Healthcare (Ilkley) Limited. At 29 March 2020 the balance owing to the bank under this guarantee was limited to £20,052,500.

#### 18. Related party transactions

##### Transactions

##### The Business Growth Fund

At 31 March 2020 Springfield Healthcare (The Grange) Limited held a loan provided by Business Growth Fund of £600,000 (2019 - £600,000). The loan is subject to interest of 12% per annum. £72,276 (2019 £72,000) was charged to the company in the period and interest of £182,614 (2019 £168,214) is included in creditors at the year end.

##### Springfield Healthcare (The Grange EBT)

During the year amounts received of £nil (2019 - £36,489) and paid out of £100 (2019 - £784) on behalf of Springfield Healthcare (The Grange EBT), a trust in which Springfield Healthcare (The Grange) Limited is a corporate trustee. The EBT does not have its own bank account and all transactions go through the bank account held by Springfield Healthcare (The Grange) Limited. Included in other creditors at the year end is an amount of £20,040 (2019 - £20,140 within other debtor) due to Springfield Healthcare (The Grange EBT).

#### 19. Controlling party

The ultimate controlling party is SHG (Care Villages) Limited, registered in England and Wales. The registered office is 2 Fusion Court, Aberford Road, Garforth, Leeds, LS25 2GH.