

JEESAL HOLDINGS LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE PERIOD ENDED 30 SEPTEMBER 2021



JEESAL HOLDINGS LIMITED
REGISTERED NUMBER: 08896891

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021

	Note	30 September 2021 £	31 March 2020 £
Fixed assets			
Investments	4	600	600
Investment property	5	7,885,000	10,820,000
		<u>7,885,600</u>	<u>10,820,600</u>
Current assets			
Debtors: amounts falling due within one year	6	1,477,071	1,777,997
Cash at bank and in hand	7	395,299	42,298
		<u>1,872,370</u>	<u>1,820,295</u>
Creditors: amounts falling due within one year	8	(2,443,290)	(305,472)
Net current (liabilities)/assets		<u>(570,920)</u>	<u>1,514,823</u>
Total assets less current liabilities		<u>7,314,680</u>	<u>12,335,423</u>
Creditors: amounts falling due after more than one year	9	-	(2,308,708)
Provisions for liabilities			
Deferred tax	11	(312,214)	(674,852)
		<u>(312,214)</u>	<u>(674,852)</u>
Net assets		<u><u>7,002,466</u></u>	<u><u>9,351,863</u></u>
Capital and reserves			
Called up share capital	12	1,289,190	1,289,190
Revaluation reserve	13	334,820	2,659,761
Capital redemption reserve	13	450,000	450,000
Profit and loss account	13	4,928,456	4,952,912
		<u><u>7,002,466</u></u>	<u><u>9,351,863</u></u>

JEESAL HOLDINGS LIMITED
REGISTERED NUMBER: 08896891

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 SEPTEMBER 2021

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



S A Subramaniam
Director

Date: 25/8/2022

The notes on pages 5 to 16 form part of these financial statements.

JEESAL HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

	Called up share capital	Capital redemption reserve	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2020	1,289,190	450,000	2,659,761	4,952,912	9,351,863
Comprehensive income for the period					
Loss for the period	-	-	-	(2,349,397)	(2,349,397)
Total comprehensive income for the period	-	-	-	(2,349,397)	(2,349,397)
Shares cancelled during the period	-	-	-	-	-
Transfer to/from profit and loss account	-	-	(2,324,941)	2,324,941	-
Total transactions with owners	-	-	(2,324,941)	2,324,941	-
At 30 September 2021	1,289,190	450,000	334,820	4,928,456	7,002,466

The notes on pages 5 to 16 form part of these financial statements.

JEESAL HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2020**

	Called up share capital	Capital redemption reserve	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2019	1,289,190	450,000	2,731,389	4,215,073	8,685,652
Comprehensive income for the year					
Profit for the year	-	-	-	666,211	666,211
Total comprehensive income for the year	-	-	-	666,211	666,211
Shares cancelled during the year	-	-	-	-	-
Transfer to/from profit and loss account	-	-	(71,628)	71,628	-
Total transactions with owners	-	-	(71,628)	71,628	-
At 31 March 2020	1,289,190	450,000	2,659,761	4,952,912	9,351,863

The notes on pages 5 to 16 form part of these financial statements.

JEESAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2021

1. General information

Jeesal Holdings Limited is a private company limited by shares incorporated in England and Wales, registration number 08896891. The registered office is Cawston Park, Aylsham Road, Cawston, Norwich, Norfolk, NR10 4JD.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in Sterling which is the functional currency of the company and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The following principal accounting policies have been applied:

2.2 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

JEESAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

2.3 Going concern

The Directors have considered the position of the Company, and the Group of which it is a part, at the time of signing the financial statements.

The Directors have prepared forecasts and have considered the current financial position of the Group. In addition, the Directors have considered the range of measures they can take to mitigate ongoing costs should they need to.

The Group has undergone a period of reorganisation, streamlining the services that it provides and reassessing the markets in which it operates. Accordingly a number of property assets have become surplus to requirements and these are being actively marketed by the Group or have been rented to third parties.

Trading activities have been reviewed and cost efficiencies have been found that are expected to return the remaining trading activities to profit.

In the short term the Group is heavily reliant on the continued support of the bank to meet its immediate cash flow needs and have engaged with the bank on a program of asset disposal in the short to medium term to seek to repay its bank debts, which are guaranteed by all companies in the group (see note 16). A number of offers on properties have already been received and are proceeding.

Based on the continued bank support and successful asset disposal plan, the Directors have concluded that, whilst there is a material uncertainty relating to the going concern position, they have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future, and at least twelve months from the date of signing these financial statements. The residential care activity continues to operate with high occupancy rates and the directors therefore continue to adopt the going concern basis of accounting in preparing these financial statements.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rental income

Rental income is accounted for in the period to which it relates.

2.5 Operating leases: the Company as lessor

Rentals income from operating leases is credited to the Statement of comprehensive income on a straight line basis over the term of the relevant lease.

2.6 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

2.7 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.9 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.10 Investment property

Investment property is carried at fair value determined annually by the directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

2. Accounting policies (continued)

2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.16 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income..

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

3. Employees

The average monthly number of employees, including directors, during the period was 1 (2020 - 1).

JEESAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

4. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2020	600
At 30 September 2021	<u>600</u>
Net book value	
At 30 September 2021	<u>600</u>
At 31 March 2020	<u>600</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Jeesal Residential Care Services Limited	Care provision	Ordinary	100%
Jeesal Support Services Limited*	Care provision	Ordinary	100%

*Jeesal Support Services Limited shares are owned by Jeesal Residential Care Services Limited.

The registered office address for all subsidiary companies is the same as Jeesal Holdings Limited.

JEESAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

5. Investment property

	Freehold investment property £
Valuation	
At 1 April 2020	10,820,000
Surplus on revaluation	(2,935,000)
At 30 September 2021	<u>7,885,000</u>

The 2021 valuations were made by the directors, on an open market value for existing use basis, having regard to professional external valuations undertaken in May 2022.

JEESAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

6. Debtors

	30 September 2021 £	31 March 2020 £
Amounts owed by group undertakings	1,196,465	1,503,627
Other debtors	280,408	273,891
Prepayments and accrued income	198	479
	<u>1,477,071</u>	<u>1,777,997</u>

7. Cash and cash equivalents

	30 September 2021 £	31 March 2020 £
Cash at bank and in hand	395,299	42,298
	<u>395,299</u>	<u>42,298</u>

8. Creditors: Amounts falling due within one year

	30 September 2021 £	31 March 2020 £
Bank loans	2,252,663	110,286
Amounts owed to group undertakings	4,000	-
Corporation tax	110,214	120,214
Other creditors	67,181	67,181
Accruals and deferred income	9,232	7,791
	<u>2,443,290</u>	<u>305,472</u>

The bank loans are secured by a cross guarantee and a fixed and floating charge over the company's assets.

JEESAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

9. Creditors: Amounts falling due after more than one year

	30 September 2021 £	31 March 2020 £
Bank loans	-	2,308,708
	<u>-</u>	<u>2,308,708</u>
	<u>-</u>	<u>2,308,708</u>

The bank loans are secured by a cross guarantee and a fixed and floating charge over the company's assets.

JEESAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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10. Loans

Analysis of the maturity of loans is given below:

	30 September 2021 £	31 March 2020 £
Amounts falling due within one year		
Bank loans	2,252,663	110,286
	<u>2,252,663</u>	<u>110,286</u>
Amounts falling due 1-2 years		
Bank loans	-	112,999
	<u>-</u>	<u>112,999</u>
Amounts falling due 2-5 years		
Bank loans	-	353,392
	<u>-</u>	<u>353,392</u>
Amounts falling due after more than 5 years		
Bank loans	-	1,842,317
	<u>-</u>	<u>1,842,317</u>
	<u>2,252,663</u>	<u>2,418,994</u>

At the reporting date the company had breached loan covenants in respect of net cash inflow and therefore the entire loans due of £2,252,663 have been shown as due within 1 year.

JEESAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

11. Deferred taxation

	2021 £	2020 £
At beginning of year	(674,852)	(749,958)
Charged to profit or loss	362,638	75,106
At end of year	(312,214)	(674,852)

The provision for deferred taxation is made up as follows:

	30 September 2021 £	31 March 2020 £
Capital gains on revalued property	(312,214)	(674,852)
	(312,214)	(674,852)

JEESAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2021

12. Share capital

	30 September 2021 £	31 March 2020 £
Allotted, called up and fully paid		
600 (2020 - 600) Ordinary shares of £1.00 each	600	600
1,288,590 (2020 - 1,288,590) Ordinary B shares of £1.00 each	1,288,590	1,288,590
	<u>1,289,190</u>	<u>1,289,190</u>

All shares rank pari passu except that the ordinary B shares do not have voting rights.

13. Reserves

Revaluation reserve

The revaluation reserve includes all current and prior period revaluations where the fair value of an asset exceeded its original cost.

Capital redemption reserve

The capital redemption reserve represents share capital which has been repurchased by the company.

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

14. Post balance sheet events

The company holds the residential care home properties utilised by its subsidiary company Jeasal Residential Care Services Limited.

The residential care provision services continued to provide high occupancy levels together with adequate financial results. The impact of the liquidation of a fellow subsidiary company reverberated into the residential care services, and the Jeasal residential care provision has been subjected to greater Governance reviews. Accordingly, the Board is seeking a new purpose for the group by seeking a structured withdrawal from the care sector.

Post the reporting date the Board has closed four of the residential care homes and are seeking alternative uses for these or looking to sell as appropriate.

JEESAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

15. Controlling party

The controlling company is Jeasal Akman Holdings Limited.

The ultimate controlling parties of Jeasal Akman Holdings Limited are the directors of that company and their close family.

Jeasal Akman Holdings Limited is the parent undertaking which consolidates these financial statements at 30 September 2021. The registered office of Jeasal Akman Holdings Limited is: Cawston Park, Aylsham Road, Cawston, Norwich, Norfolk, NR10 4JD.

16. Auditors' information

The audit report, which was signed by Ian Fitch FCA (Senior Statutory Auditor) for and on behalf of Larking Gowen LLP, is unqualified.

The audit report included the following paragraph:

Material uncertainty related to going concern

We draw attention to note 2.3 in the financial statements, which indicates that the company is heavily reliant on the continued bank support which includes a programme of asset disposal to repay the bank borrowings in order to continue as a going concern. As stated in note 2.3, these events or conditions, along with the other matters as set forth in note 2.3, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.