

Company Registration No. 09298452 (England and Wales)

IVY LEAF CARE LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019
PAGES FOR FILING WITH REGISTRAR

IVY LEAF CARE LIMITED

Company Information

Director	Mr M Sandhu
Secretary	Mrs K Tian
Company number	09298452
Registered office	73-75 Middleton Hall Road Birmingham B30 1AG
Accountants	Burgis & Bullock 23-25 Waterloo Place Warwick Street Leamington Spa Warwickshire CV32 5LA

IVY LEAF CARE LIMITED

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IVY LEAF CARE LIMITED

Balance Sheet As at 31 October 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Intangible assets	3		1		1
Tangible assets	4		847,736		875,879
			<u>847,737</u>		<u>875,880</u>
Current assets					
Debtors	5	1,543,263		167,424	
Cash at bank and in hand		116,838		696,660	
		<u>1,660,101</u>		<u>864,084</u>	
Creditors: amounts falling due within one year	6	<u>(1,984,580)</u>		<u>(1,261,994)</u>	
Net current liabilities			<u>(324,479)</u>		<u>(397,910)</u>
Total assets less current liabilities			523,258		477,970
Creditors: amounts falling due after more than one year	7		(344,940)		(373,370)
Provisions for liabilities			<u>(2,775)</u>		<u>(6,474)</u>
Net assets			<u>175,543</u>		<u>98,126</u>
Capital and reserves					
Called up share capital	8		100		100
Profit and loss reserves			175,443		98,026
Total equity			<u>175,543</u>		<u>98,126</u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 October 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

IVY LEAF CARE LIMITED

Balance Sheet (Continued) As at 31 October 2019

The financial statements were approved by the board of directors and authorised for issue on 28 November 2020 and are signed on its behalf by:

Mr M. Sandhu
Director

Company Registration No. 09298452

IVY LEAF CARE LIMITED

Notes To The Financial Statements For the year ended 31 October 2019

1 Accounting policies

Company information

Ivy Leaf Care Limited is a private company limited by shares incorporated in England and Wales. The registered office is 73-75 Middleton Hall Road, Birmingham, B30 1AG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

Post year end the business has been affected by Covid-19 with reduced occupancy. The Company has taken advantage of the Furlough scheme, bounce back loans and has implemented strategies to ensure the business continues to run at break even at least. The shareholders have indicated they will continue to support the business and therefore the directors are confident that the business will remain as a going concern.

1.3 Turnover

Turnover represents amounts receivable for health care services and revenue is recognised by reference to the number of care days provided to residents.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of the business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	- 1% straight line
Plant and machinery	- 25% reducing balance
Fixtures, fittings & equipment	- 33.33% straight line
Computer equipment	- 33.33% straight line

IVY LEAF CARE LIMITED

Notes To The Financial Statements (Continued) For the year ended 31 October 2019

1 Accounting policies

(continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

These financial statements for the year ended 31 October 2019 are the first financial statements of Ivy Leaf Care Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 November 2017. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

In accordance with the transitional exemption in section 35 of FRS 102, Ivy Leaf Care Limited has elected to retain its accounting policies for reported assets, liabilities and equity before the date of transition to FRS 102.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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 company after deducting all of its liabilities.

IVY LEAF CARE LIMITED

Notes To The Financial Statements (Continued) For the year ended 31 October 2019

1 Accounting policies

(continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

IVY LEAF CARE LIMITED

Notes To The Financial Statements (Continued) For the year ended 31 October 2019

1 Accounting policies (continued)

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019 Number	2018 Number
Total	33	41
	==	==

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 November 2018 and 31 October 2019	1
	—
Amortisation and impairment	
At 1 November 2018 and 31 October 2019	-
	—
Carrying amount	
At 31 October 2019	1
	==
At 31 October 2018	1
	==

The directors consider the goodwill to be at fair value as the business was bought under the control of the bank, as they had appointed property receivers. Therefore cost is a good approximation of fair value.

IVY LEAF CARE LIMITED

Notes To The Financial Statements (Continued) For the year ended 31 October 2019

4 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 November 2018	867,349	17,255	77,600	7,608	969,812
Additions	-	-	1,915	-	1,915
At 31 October 2019	867,349	17,255	79,515	7,608	971,727
Depreciation and impairment					
At 1 November 2018	25,541	8,490	55,103	4,799	93,933
Depreciation charged in the year	8,673	2,191	17,300	1,894	30,058
At 31 October 2019	34,214	10,681	72,403	6,693	123,991
Carrying amount					
At 31 October 2019	833,135	6,574	7,112	915	847,736
At 31 October 2018	841,808	8,765	22,497	2,809	875,879

5 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Other debtors	1,543,263	167,424

6 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	27,289	25,665
Trade creditors	81,240	38,827
Amounts due to owner with participating interest	924,912	889,487
Corporation tax	23,892	22,503
Other taxation and social security	26,307	42,687
Other creditors	900,940	242,825
	1,984,580	1,261,994

The company's bank loan totalling £27,289 (2018: £25,665) is secured by fixed and floating charges over the company's assets.

IVY LEAF CARE LIMITED

Notes To The Financial Statements (Continued) For the year ended 31 October 2019

7 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Bank loans and overdrafts	344,940	373,370
	<u> </u>	<u> </u>

The company's bank loan totalling £344,940 (2018: £373,370) is secured by fixed and floating charges over the company's assets.

8 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	<u> </u>	<u> </u>

9 Related party transactions

As at 31 October 2019 £924,912 (2018: £889,487) was owed, by way of loan, to a company with a participating interest in Ivy Leaf Care Limited. The loan has no fixed date for repayment and Interest has been charged at 5% per annum.

As at 31 October 2019, £1,543,263 (2018: £167,424) was due from a connected company by way of loan. The loan has no fixed date for repayment and Interest has been charged at 5% per annum.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.