

GLENHOLME SENIOR LIVING (SPALDING) LIMITED

FINANCIAL STATEMENTS

31 MARCH 2021

Glenholme Group



GLENHOLME SENIOR LIVING (SPALDING) LIMITED

FINANCIAL STATEMENTS

PERIOD ENDED 31 MARCH 2021

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GLENHOLME SENIOR LIVING (SPALDING) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

K W Phippen
S J McLaughlan

COMPANY SECRETARY

S J McLaughlan

REGISTERED OFFICE

79 High Street
Eton
Windsor
Berkshire
SL4 6AF

GLENHOLME SENIOR LIVING (SPALDING) LIMITED

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2021

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

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the period was the provision of residential care to the elderly. The company is building its first care home in Spalding which is due to open in July 2021.

KEY PERFORMANCE INDICATORS

The group monitors its performance against strategic objectives by means of key performance indicators. The main KPIs it uses are orientated around gross profit margin and turnover. The company did not trade in the period:

Non-financial KPIs are not produced here because, given the nature of the business, the group's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the entity.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties that are facing the company are common for a company of this size. These are:

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

The company has successfully controlled and managed these risks by:

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

FUTURE DEVELOPMENTS

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

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



S J McLaughlan
Director

GLENHOLME SENIOR LIVING (SPALDING) LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2021

The directors present their report and the financial statements of the company for the year ended 31 March 2021.

PRINCIPAL ACTIVITIES

The principal activity of the company during the period was that of a residential care home. The company's first care home is under construction.

INCORPORATION

The company was incorporated on the 13th September 2019 as Glenholme Senior Living (Chelmer Valley) Limited and changed its name to Glenholme Senior Living (Spalding) Limited on 29th October 2019.

DIRECTORS

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

K W Phippen	appointed on incorporation
S J McLaughlan	appointed on incorporation

GOING CONCERN

The directors have a reasonable expectation that the company has adequate resources to continue operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

DIRECTORS' RESPONSIBILITIES

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

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

In preparing these financial statements, the directors are required to:

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

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

AUDIT EXEMPTION

Glenholme Healthcare Group Ltd issued a guarantee against all outstanding liabilities to which the company is subject as at 31 March 2020, until they are satisfied in full. The guarantee is enforceable against Glenholme Healthcare Group Ltd by any person to whom the company is liable in respect of those liabilities. Since Glenholme Healthcare Group Ltd is the smallest group to which the company's accounts are consolidated the company has taken advantage of the exemption from audit of its individual accounts for the ended 31 March 2021 by virtue of section 479A of the Companies Act 2006.

GLENHOLME SENIOR LIVING (SPALDING) LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2021

STRATEGIC REPORT

The company has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out within the company's Strategic Report the Company's Strategic Report Information Required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review and details of the principal risks and uncertainties.

Signed on behalf of the directors on 17th Aug 2021



S J McLaughlan
Director

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

GLENHOLME SENIOR LIVING (SPALDING) LIMITED

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2021

	Year to 31 Mar 2021	Period 13 th Feb to 31 Mar 2020
Notes	£	£
TURNOVER	-	-
PROFIT FOR THE FINANCIAL PERIOD	-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	-

The company did not trade in the period

GLENHOLME SENIOR LIVING (SPALDING) LIMITED

STATEMENT OF FINANCIAL POSITION

31 MARCH 2021

	Notes	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible assets	4		5,897,315		1,737,223
Debtors	5	195,239		-	
Cash at bank		1,000		-	
		196,239		-	
CREDITORS: Amounts falling due within one year	6	(5,093,454)		(1,737,123)	
NET CURRENT LIABILITIES			(4,897,215)		(1,737,123)
TOTAL ASSETS LESS CURRENT LIABILITIES			1,000,100		100
CREDITORS: Amounts falling due after more than one year	7		(1,000,000)		-
NET ASSETS			100		100
CAPITAL AND RESERVES					
Called-up equity share capital	8		100		100
SHAREHOLDERS' FUNDS			100		100

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 479A of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibility for complying with requirements of the Act with respect to accounting records and preparation of accounts.

These accounts were approved by the directors and authorised for issue on 17th Aug 2021, and are signed on their behalf by:



S J McLaughlan

Company Registration Number: 12204876

The notes on pages 9 to 11 form part of these financial statements.

GLENHOLME SENIOR LIVING (SPALDING) LIMITED

STATEMENT OF CHANGES IN EQUITY 31 MARCH 2020

	Called up share capital	Profit and Loss account	Total
	£	£	£
On incorporation	100	-	100
At 31 March 2020	<hr/> 100	<hr/> -	<hr/> 100
At 31 March 2021	<hr/> <hr/> 100	<hr/> <hr/> -	<hr/> <hr/> 100

The notes on pages 9 to 11 form part of these financial statements.

GLENHOLME SENIOR LIVING (SPALDING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 MARCH 2020

1. STATEMENT OF COMPLIANCE AND COMPANY INFORMATION

These financial statements have been prepared in compliance with FRS102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

Glenholme Senior Living (Spalding) Limited is a limited company by shares, incorporated and domiciled in the United Kingdom. The address of its registered office and principal place of business are disclosed on page 1.

2. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of The Glenholme Healthcare Group Limited which can be obtained from Companies House. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

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

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

There are no significant judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. There are no key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Revenue Recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied, rents receivable and services rendered, net of discounts and Value Added Tax where applicable.

GLENHOLME SENIOR LIVING (SPALDING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

2 ACCOUNTING POLICIES continued

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

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.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation, gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Property	-	over 50 years
Freehold Land	-	no depreciation
Equipment	-	20%-33% straight line

3. DIRECTORS AND STAFF

The directors who were the only employees received no remuneration.

GLENHOLME SENIOR LIVING (SPALDING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

4. TANGIBLE FIXED ASSETS

	Assets in course of construction £	Fixtures and fittings	Total
COST OR REVALUATION			
On 1 st April 2020	1,737,223	-	1,737,223
Additions	4,155,715	4,377	4,160,092
At 31 March 2020	<u>5,892,938</u>	<u>4,377</u>	<u>5,897,315</u>
DEPRECIATION			
On 1 st April 2020	-	-	-
Charge for the year	-	-	-
At 31 March 2021	<u>-</u>	<u>-</u>	<u>-</u>
NET BOOK VALUE			
At 31 March 2021	<u>5,892,938</u>	<u>4,377</u>	<u>5,897,315</u>
At 31 March 2020	<u>1,737,223</u>	<u>4,377</u>	<u>1,737,223</u>

9. DEBTORS

	2021 £	2020 £
Prepayments	195,239	-
	<u>195,239</u>	<u>-</u>

5. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Amounts due to parent company	5,091,460	1,737,123
Accruals	1,994	-
	<u>5,093,454</u>	<u>-</u>

GLENHOLME SENIOR LIVING (SPALDING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

11. CREDITORS: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans and overdrafts	<u>1,000,000</u>	<u>-</u>

Analysis of bank loans is as follows:

	2021 £	2020 £
Due < 1 year	-	-
Due > 1 year and < 5 years	-	-
Due >5 years	<u>1,000,000</u>	<u>-</u>
	<u>1,000,000</u>	<u>-</u>

The bank loans and overdraft are secured by a fixed and floating charge over all the assets of the company at an interest rate of 4.00% over base. The loans are repayable by month instalment and amortised over 20 years.

6. SHARE CAPITAL

Allotted, called up and fully paid:

	2021		2020	
	No	No	No	No
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

7. ULTIMATE PARENT COMPANY

The smallest and largest group of undertakings for which group accounts are drawn up are those headed by Glenholme Healthcare Group Ltd. Copies of the group accounts are publicly available at Companies House.

8. CAPITAL COMMITMENTS

The company entered into a contract to build the care home at Spalding. The cost of the contract is £6.5m of which £4,976,047 (2020: £820,332) has currently been spent.

9. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption available under FRS 102 Section 33.1A not to disclose transactions with the ultimate parent undertaking and those subsidiary undertakings, where the group controls 100% of those companies' voting rights.