

Limited Liability Partnership Registration No. OC395417 (England and Wales)

Christchurch Fairmile Village LLP

**Annual report and financial statements
for the year ended 31 January 2022**

Pages for filing with the Registrar

Christchurch Fairmile Village LLP

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Christchurch Fairmile Village LLP

Balance sheet

As at 31 January 2022

			2022	2021
	Notes	£	£	£
Fixed assets				
Tangible assets	7		76,829	88,730
Current assets				
Stocks		8,720		163,449
Debtors	8	560,462		900,873
Cash at bank and in hand		617,801		322,267
		<u>1,186,983</u>		<u>1,386,589</u>
Creditors: amounts falling due within one year	9	<u>(744,380)</u>		<u>(559,668)</u>
Net current assets			<u>442,603</u>	<u>826,921</u>
Total assets less current liabilities and net assets attributable to members			<u>519,432</u>	<u>915,651</u>
Represented by:				
Loans and other debts due to members within one year				
Amounts due in respect of profits			184,991	581,210
Members' other interests				
Members' capital classified as equity			<u>334,441</u>	<u>334,441</u>
			<u>519,432</u>	<u>915,651</u>

The members of the limited liability partnership have elected not to include a copy of the profit and loss account within the financial statements.

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

Christchurch Fairmile Village LLP

Balance sheet (continued)

As at 31 January 2022

			2022		2021
	Notes	£	£	£	£

The financial statements were approved by the members and authorised for issue on 25 May 2022 and are signed on their behalf by:

Julian Shaffer on behalf of
Quantum Christchurch Care LLP
Designated member

Limited Liability Partnership Registration No. OC395417

Christchurch Fairmile Village LLP

**Reconciliation of members' interests
For the year ended 31 January 2022**

Current financial year	Equity		Debt		Total members' interests
	Members' capital (classified as equity)	Members' other reserves	Loans and other debts due to members less any amounts due from members in debtors	Total	
	£	£	£	£	£
Amounts due to members			581,210		
Members' interests at 1 February 2021	334,441	-	581,210	581,210	915,651
Loss for the financial year available for discretionary division among members	-	(396,219)	-	-	(396,219)
Members' interests after loss for the year	334,441	(396,219)	581,210	581,210	519,432
Allocation of loss for the financial year	-	-	(396,219)	(396,219)	(396,219)
Other divisions of losses	-	396,219	-	-	396,219
Members' interests at 31 January 2022	334,441	-	184,991	184,991	519,432

Christchurch Fairmile Village LLP

Reconciliation of members' interests (continued)
For the year ended 31 January 2022

Prior financial period	Equity		Debt		Total members' interests
	Members' other interests		Loans and other debts due to members less any amounts due from members in debtors		
	Members' capital (classified as equity)	Other reserves	Total Other amounts	Total	Total 2021
	£	£	£	£	£
Amounts due to members			1,442,657		
Members' interests at 1 April 2020	334,441	-	334,441	1,442,657	1,777,098
Loss for the financial period available for discretionary division among members	-	(861,447)	(861,447)	-	(861,447)
Members' interests after loss for the period	334,441	(861,447)	(527,006)	1,442,657	915,651
Allocation of loss for the period	-	-	-	(861,447)	(861,447)
Other divisions of losses	-	861,447	861,447	-	861,447
Members' interests at 31 January 2021	334,441	-	334,441	581,210	915,651

Christchurch Fairmile Village LLP

Notes to the financial statements For the year ended 31 January 2022

1 Accounting policies

Limited liability partnership information

Christchurch Fairmile Village LLP is a limited liability partnership incorporated in England and Wales. The registered office is 170 Charminster Road, Bournemouth, Dorset, BH8 9RL.

The limited liability partnership's principal activities are disclosed in the Members' Report.

1.1 Accounting convention

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in December 2018, together 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 LLPs 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 limited liability partnership. 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

Following a review of future cashflows for the LLP to April 2023, the continued support from other members of the wider Quantum group, and the ongoing cost control measures being undertaken, at the time of approving the financial statements, the members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. Thus the members continue to adopt the going concern basis of accounting in preparing the financial statements.

In addition to this, Quantum Group (Management) Limited has confirmed that it will provide additional financial support to meet the liabilities of the Christchurch Fairmile Village LLP, as they fall due, if required for at least 12 months from the date of signing the financial statements.

The Christchurch Fairmile Village LLP members have reviewed the Quantum Group (Management) Limited group going concern assessment and based on this letter of support received, consider it appropriate to prepare these financial statements on the going concern basis.

1.3 Reporting period

These financial statements are prepared for the full financial year ending 31 January 2022. The comparative amounts presented in the financial statements (including the related notes) are for the 10 month period ended 31 January 2021 so are not entirely comparable.

Christchurch Fairmile Village LLP

Notes to the financial statements (continued)

For the year ended 31 January 2022

1 Accounting policies (continued)

1.4 Turnover

Turnover represents residential care home charges net of value added tax and proceeds from the sales of senior living accommodation. Care home charges are recognised as income when the service has been provided. Property sales are recognised as income once legal exchange has taken place.

1.5 Members' participating interests

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with section 22 of FRS 102. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

All amounts due to members that are classified as liabilities are presented within 'Loans and other debts due to members' and, where such an amount relates to current year profits, they are recognised within 'Members' remuneration charged as an expense' in arriving at the relevant year's result. Undivided amounts that are classified as equity are shown within 'Members' other interests'. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

Once an unavoidable obligation has been created in favour of members through allocation of profits or other means, any undrawn profits remaining at the reporting date are shown as 'Loans and other debts due to members' to the extent they exceed debts due from a specific member.

1.6 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:

Fixtures, fittings & equipments	5 year straight line basis
Computer equipment	5 year straight line basis

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 recognised in the profit and loss account.

1 Accounting policies (continued)

1.7 Impairment of fixed assets

At each reporting period end date, the limited liability partnership reviews the carrying amounts of its tangible 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 limited liability partnership estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks represent retirement living apartments which are unsold at the year end and are held for resale. These are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.9 Cash at bank and in hand

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 Accounting policies (continued)

1.10 Financial instruments

The limited liability partnership 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 limited liability partnership's statement of financial position when the limited liability partnership becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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, 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.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the limited liability partnership transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 limited liability partnership after deducting all of its liabilities.

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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the limited liability partnership's obligations expire or are discharged or cancelled.

1.11 Taxation

The taxation payable on the partnership profits is solely the personal liability of the individual members consequently neither partnership taxation nor related deferred taxation arising in respect of the partnership are accounted for in these financial statements.

1.12 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 limited liability partnership is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits and post retirement payments to members

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

1.14 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 leased asset are consumed.

1 Accounting policies (continued)

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the limited liability partnership's accounting policies, the members are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Allocation of costs to each of the senior living apartments sold

The total construction cost of the senior living apartments have been allocated to the properties sold on a square footage basis. The members consider that this basis results in a fair estimation of the costs incurred on each property.

3 Turnover

An analysis of the limited liability partnership's turnover is as follows:

	2022	2021
	£	£
Turnover analysed by class of business		
Nursing fees	3,570,422	3,013,441
Apartment sales	285,011	-
	<u>3,855,433</u>	<u>3,013,441</u>

Christchurch Fairmile Village LLP

Notes to the financial statements (continued)

For the year ended 31 January 2022

3 Turnover (continued)

	2022	2021
	£	£
Other significant revenue		
Grants received	112,964	224,455
	<u> </u>	<u> </u>

All turnover was generated in the United Kingdom.

4 Employees

The average number of persons (excluding members) employed by the partnership during the year was:

	2022	2021
	Number	Number
Management	2	3
Admin Staff	5	4
Care staff	90	115
	<u> </u>	<u> </u>
Total	97	122
	<u> </u>	<u> </u>

5 Information in relation to members

	2022	2021
	Number	Number
Average number of members during the year	3	4
	<u> </u>	<u> </u>

6 Operating loss

	2022	2021
	£	£
Operating loss for the year is stated after charging/(crediting):		
Fees payable to the LLP's auditor for the audit of the LLP's annual financial statements	9,360	7,750
Government grants	(112,964)	(224,455)
Depreciation of owned tangible fixed assets	22,680	14,266
Cost of stocks recognised as an expense	285,607	124,067
	<u> </u>	<u> </u>

Christchurch Fairmile Village LLP

Notes to the financial statements (continued)
For the year ended 31 January 2022

7 Tangible fixed assets

	Plant and machinery £
Cost	
At 1 February 2021	105,188
Additions	10,779
	<hr/>
At 31 January 2022	115,967
	<hr/>
Depreciation and impairment	
At 1 February 2021	16,458
Depreciation charged in the year	22,680
	<hr/>
At 31 January 2022	39,138
	<hr/>
Carrying amount	
At 31 January 2022	76,829
	<hr/>
At 31 January 2021	88,730
	<hr/>

8 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	223,743	570,395
Other debtors	336,719	330,478
	<hr/>	<hr/>
	560,462	900,873
	<hr/>	<hr/>

9 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	374,732	86,430
Taxation and social security	33,120	118,487
Other creditors	336,528	354,751
	<hr/>	<hr/>
	744,380	559,668
	<hr/>	<hr/>

Christchurch Fairmile Village LLP

Notes to the financial statements (continued)

For the year ended 31 January 2022

10 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	26,413	28,215
	<u> </u>	<u> </u>

The limited liability partnership operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the limited liability partnership in an independently administered fund.

Contributions totalling £4,374 (2021: £6,416) were payable to the scheme at the balance sheet date and are included in creditors.

11 Loans and other debts due to members

In the event of a winding up the amounts included in "Loans and other debts due to members" will rank equally with unsecured creditors.

12 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Jamie Lane and the auditor was Saffery Champness LLP.

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Notes to the financial statements (continued)

For the year ended 31 January 2022

13 Operating lease commitments

The operating leases represent the lease of land from Target Healthcare PLC. The lease was negotiated over terms of 30 years. The lease includes a provision for annual upward rent reviews according to prevailing market conditions. There are no options in place for either party to extend the lease terms.

There is a fixed and floating charge over all property and undertakings of the company in respect of this lease.

At the reporting end date the limited liability partnership had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022	2021
	£	£
Within one year	1,104,462	1,093,527
Between two and five years	4,529,405	4,484,560
In over five years	20,908,925	21,608,233
	<u>26,542,792</u>	<u>27,186,320</u>

14 Members' transactions

During the period the LLP made property sales totalling £285,011 (2021: £nil) to a company related to one of its members. Included in trade debtors at the balance sheet date is an amount of £nil (2021: £428,139) owed from that company.

During the period the LLP was also charged management fees of £372,009 (2021: £312,978) and other costs recharges of £194,574 (2021: £111,264) by companies related to Quantum Christchurch Care LLP. During the year the LLP also recharged costs of £54,229 (2021: £40,822) to companies related to Quantum Christchurch Care LLP. As at the balance sheet date £26,502 (2021: £86,586) was owed to these companies.

15 Controlling party

The LLP is jointly controlled by two of its members, Quantum Christchurch Care LLP and The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust.

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