

Bupa Care Homes (Carrick) Limited

Registered Number: SC151487

**Annual report and financial statements
for the year ended**

31 December 2019



Contents

| | Page |
|--|-------------|
| Directors' report | 1 |
| Statement of directors' responsibilities | 4 |
| Independent Auditor's Report to the Members of Bupa Care Homes (Carrick) Limited | 5 |
| Profit and loss account and other comprehensive income | 7 |
| Balance sheet | 8 |
| Statement of changes in equity | 9 |
| Notes to the financial statements | 10 |

Directors' report

The Directors present their annual report and the financial statements of the Company for the year ended 31 December 2019.

Principal activities

The Company sold all its care homes and ceased trading on 20 December 2017. The Company, together with fellow UK subsidiary undertakings of The British United Provident Association Limited ("Bupa"), with similar activities, form Bupa Care Services ("BCS").

Results

The profit for the year, after taxation, amounted to £281,000 (2018: £570,000). The Company had net assets of £22,279,000 (2018: £21,998,000).

Dividends

The Directors do not recommend the payment of a dividend for the year (2018: £nil).

Going Concern and Post Balance Sheet Event

On March 11, 2020, the World Health Organization declared Coronavirus COVID-19 a pandemic, due to its rapid spread throughout the world. Most governments are taking restrictive measures to contain the spread and the situation is significantly affecting the global economy, due to the interruption or slowdown of supply chains and the significant increase in economic uncertainty, evidenced by an increase in the volatility of asset prices, exchange rates and a decrease in long-term interest rates.

As the implications of COVID-19 are indicative of conditions that arose after the end of the reporting period end, it is a subsequent event that does not require any adjustments to the annual accounts for the financial year 2019. Whilst it is not possible, at this stage, to accurately estimate the financial impacts of this crisis, the Directors note, as at the date of approval of these financial statements, there has been no significant disruption in the Company's business up to the date of approval of these financial statements. However, as at the date of approval of these financial statements, it is not currently considered that there are any significant doubts over the Company's ability to continue as a going concern for at least a year from the date of approval of these financial statements. We continue to monitor our business for potential impacts and to manage the associated risks.

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of COVID-19, the Company will have sufficient funds, through funding from its intermediate parent company, Bupa Finance plc, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on Bupa Finance plc not seeking repayment of the amounts currently due from BCS, which at 31 December 2019 amounted to £398,048,000, and providing additional financial support during that period. The Directors have considered the impact of the COVID-19 pandemic on the ability of BUPA Finance plc to provide the financial support required by the company. BUPA Finance PLC's going concern status has been considered and, based on its current position, forecast results and solvency capital, it has been concluded that Bupa Finance PLC has adequate resources to operate for at least the next 12 months from the approval of these financial statements.

Therefore the Directors are confident that BUPA Finance Plc can provide financial support up to the level required for at least the next 12 months. Bupa Finance plc has indicated its intention to continue to make available such funds as are needed by the Group, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts.

Going Concern and Post Balance Sheet Event (continued)

As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

International financial reporting standards and financial reporting requirements

The ultimate parent undertaking, Bupa, has prepared group accounts in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). The Company is not required to report under IFRS and therefore these accounts are prepared in accordance with applicable UK accounting standards. As the Company is a wholly owned subsidiary undertaking of Bupa, the Company qualifies for application of Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"), which has been adopted for these financial statements. FRS 101 uses the recognition and measurement bases of IFRS, while allowing exemptions from a number of disclosures required by full IFRS.

Directors

Details of the present Directors and any other persons who served as a Director during the year are set out below:

N S Barker
M Harrison
J M Elliott

Bupa Secretaries Limited is the Company Secretary and is not a present director.

Companies (Audit, Investigations and Community Enterprise) Act 2004

As at the date of this report, indemnities are in force under which the Company has agreed to indemnify the Directors, to the extent permitted by law and the Company's Articles of Association, in respect of all losses arising out of, or in connection with, the execution of their powers, duties and responsibilities, as Directors of the Company.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' report confirm that:

- so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has taken all the 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 confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Directors' report (continued)

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

The Bupa Audit Committee agreed to put the external audit of the Group out to tender to comply with EU Audit Regulation (Regulation 537/2014/EU) transitional arrangements, which require the Group to rotate its audit firm at the time of next appointment on or after 17 June 2020.

The Bupa Annual Report 2019 sets out the full audit tender process, outcome and timeline.

The Bupa Board agreed to appoint PwC as the Group's External Auditor from 1 January 2021 and the Company's Board will formally appoint PwC for the year ended 31 December 2021 following the Bupa AGM in May 2021.

Registered Office:

39 Victoria Road
Glasgow
G78 1NQ

By Order of the Board



14 August 2020

Michael Harrison
Director

Statement of directors' responsibilities in Respect of the Directors' Report and the Financial Statements

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*

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 period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Members of Bupa Care Homes (Carrick) Limited

Opinion

We have audited the financial statements of Bupa Care Home (Carrick) Limited ("the company") for the year ended 31 December 2019 which comprise the Profit and Loss Account and Other Comprehensive income, Balance Sheet, Statement of Changes in Equity, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Independent Auditor's Report to the Members of Bupa Care Homes (Carrick) Limited (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities

The purpose of our audit work and to whom we owe our responsibilities

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.



Clare Partridge (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA
17 August 2020

**Profit and loss account and other comprehensive income
 for the year ended 31 December 2019**

| | Note | 2019 £'000 | 2018 £'000 |
|--|------|---------------|---------------|
| Other interest receivable and similar income | 5 | 491 | 410 |
| Interest payable and similar charges | 6 | (144) | (136) |
| Profit before taxation | | 347 | 274 |
| Tax on profit on ordinary activities | 8 | (66) | 296 |
| Profit for the financial year | | 281 | 570 |
| Total comprehensive income for the year | | 281 | 570 |

All activities relate to continuing operations.

The notes on pages 10 to 16 form part of these financial statements.

Balance sheet

as at 31 December 2019

| | Note | 2019 £'000 | 2018 £'000 |
|--|------|---------------|---------------|
| Current assets | | | |
| Debtors | 9 | 29,662 | 29,237 |
| - due within one year | | 9,103 | 9,090 |
| - due after one year | | 20,559 | 20,147 |
| Net current assets | | 29,662 | 29,237 |
| Total assets less current liabilities | | 29,662 | 29,237 |
| Creditors: amounts falling due after more than one year | 10 | (7,383) | (7,239) |
| Net assets | | 22,279 | 21,998 |
| Capital and reserves | | | |
| Called up share capital | 11 | 151 | 151 |
| Profit and loss account | | 22,128 | 21,847 |
| Shareholders' funds | | 22,279 | 21,998 |

These financial statements were approved by the Board of Directors and were signed on its behalf by:



Michael Harrison
Director

Registered number: SC151487

14 August 2020

The notes on pages 10 to 16 form part of these financial statements.

Statement of changes in equity for the year ended 31 December 2019

| | Called up share capital £'000 | Profit and loss account £'000 | Total £'000 |
|---------------------------------------|--|--|----------------|
| Balance at 1 January 2019 | 151 | 21,847 | 21,998 |
| Profit for the year | - | 281 | 281 |
| Balance as at 31 December 2019 | 151 | 22,128 | 22,279 |

| | Called up share capital £'000 | Profit and loss account £'000 | Total £'000 |
|---------------------------------------|--|--|----------------|
| Balance at 1 January 2018 | 151 | 21,277 | 21,428 |
| Profit for the year | - | 570 | 570 |
| Balance as at 31 December 2018 | 151 | 21,847 | 21,998 |

The notes on pages 10 to 16 form part of these financial statements.

Notes to the financial statements

1. Accounting policies

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

(a) Basis of preparation

The financial statements have been prepared on a going concern basis and under the historical cost convention, as modified by the revaluation of land and buildings, in accordance with applicable UK accounting standards.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of IFRS, but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

(b) Exemptions from the requirements of IFRS

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for investments;
- Disclosures in respect of transactions with wholly owned subsidiaries within the consolidated group;
- Disclosures in respect of capital management;
- An additional balance sheet for the beginning of the earliest comparative period following the transition to FRS 101;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

As the consolidated financial statements of Bupa (note 3) include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- The disclosures required by IFRS 7 and IFRS 13 regarding financial instrument disclosures have not been provided apart from those which are relevant for the financial instruments which are held at fair value and are not either held as part of trading portfolio or derivatives.

Notes to the financial statements (continued)

1. Accounting policies (continued)

(c) New standards, amendments and IFRIC interpretations

The Company adopted IFRS 16 leases with an effective date of 1 January 2019. There was no impact on the results of the Company.

The following financial reporting standards, amendments and interpretations have been issued but are not effective for the year ended 31 December 2019 and have not been early adopted by the Company. They are not expected to have a significant impact when they are effective.

- IFRS 17 – Insurance Contracts
- IFRS 3 – Business Combinations amendment
- IAS 1 and IAS 8 amendments

(d) Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of COVID-19, the Company will have sufficient funds, through funding from its intermediate parent company, Bupa Finance plc, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on Bupa Finance plc not seeking repayment of the amounts currently due from BCS, which at 31 December 2019 amounted to £398,048,000, and providing additional financial support during that period. The directors have considered the impact of the COVID-19 pandemic on the ability of BUPA Finance plc to provide the financial support required by the company. BUPA Finance PLC's going concern status has been considered and, based on its current position, forecast results and solvency capital, it has been concluded that Bupa Finance PLC has adequate resources to operate for at least the next 12 months from the approval of these financial statements.

Therefore the Directors are confident that BUPA Finance Plc can provide financial support up to the level required for at least the next 12 months. Bupa Finance plc has indicated its intention to continue to make available such funds as are needed by the Group, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts.

As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

(e) Interest income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

Notes to the financial statements (continued)

1. Accounting policies (continued)

(f) Taxation and deferred taxation

The taxation expense on the profit for the year comprises current and deferred taxation. Income taxation is recognised in the profit and loss account except to the extent that it relates to items recognised directly in other comprehensive income, in which case it is recognised directly in the statement of comprehensive income.

Current taxation is the expected taxation payable on the taxable profit for the year, using taxation rates enacted or substantively enacted at the balance sheet date, and any adjustments to taxation payable in respect of previous years.

Deferred taxation is recognised in full using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not recognised: goodwill not deductible for taxation purposes and the initial recognition of an asset or liability in a transaction that is not a business combination and which, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The amount of deferred taxation recognised is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using taxation rates enacted or substantively enacted at the balance sheet date.

Deferred taxation is recognised on temporary differences arising on investments in subsidiary companies, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred taxation asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Trading losses surrendered to other Bupa Group subsidiary undertakings are made on a full payment basis.

(g) Financial assets

Classification

The Company classifies its financial assets in the following categories: at fair value through profit or as amortised cost. It does not have any assets categorised as fair value through other comprehensive income. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and recognises them at fair value.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets if expected to be settled within twelve months, otherwise they are classified as non-current investments.

(b) Amortised cost

Financial assets where the contractual characteristics represent solely payments of principal and interest and the objective is to hold the instrument to collect cash flows over its life. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the end of the reporting period. These are classified as non-current assets. The Company's loans and receivables comprise trade and other receivables.

Notes to the financial statements (continued)

1. Accounting policies (continued)

(g) Financial assets (continued)

Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade date – the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the profit and loss account. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost.

Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss' category are presented in the profit and loss account within interest income or expenses in the period in which they arise.

Impairment of financial assets

Under IFRS 9, impairment provisions for expected credit losses ('ECL') are recognised for financial assets measured at amortised cost. An allowance for either 12-month or lifetime ECL is required, depending on whether there has been a significant increase in credit risk since initial recognition. The measurement of ECL reflects a probability-weighted outcome, the time value of money and the best available forward-looking information. The Company measures the loss allowance for trade receivables at an amount equal to the lifetime ECL.

(h) Share capital

Ordinary shares are classified as equity.

(i) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit and loss account over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Notes to the financial statements (continued)

2. Critical accounting estimates and judgments

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

There were no critical accounting estimates or judgements in the preparation of these financial statements.

3. Immediate and ultimate parent company

The immediate parent undertaking of the Company is Bupa Care Homes (ANS) Limited, with its registered office at 1 Angel Court, London, EC2R 7HJ.

The ultimate parent undertaking of the Company, and the largest group into which these financial statements are consolidated, is Bupa, with its registered office at 1 Angel Court, London, EC2R 7HJ. The smallest group into which these financial statements are consolidated is that headed by Bupa Finance plc, with its registered office at 1 Angel Court, London, EC2R 7HJ.

Copies of the accounts of all companies can be obtained from The Registrar of Companies, Cardiff, CF14 3UZ.

4. Staff costs and directors' remuneration

Directors' remuneration

The emoluments of the Directors are borne entirely by other Group companies. The value of the qualifying services provided by the Directors to the Company during the year was £nil (2018: £nil).

5. Other interest receivable and similar income

| | 2019 £'000 | 2018 £'000 |
|-------------------------|---------------|---------------|
| Bupa group undertakings | 491 | 410 |

6. Interest payable and similar charges

| | 2019 £'000 | 2018 £'000 |
|-------------------------|---------------|---------------|
| Bupa group undertakings | 144 | 136 |

7. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

| | 2019 £'000 | 2018 £'000 |
|--|---------------|---------------|
| Fees payable to the Company's auditor for the audit of the Company's annual accounts | 2 | 2 |

Fees for the audit of the Company represent the amount receivable by the Company's auditor. The amount is not borne by the Company.

Notes to the financial statements (continued)

8. Tax on profit on ordinary activities

(i) Tax included in profit or loss

| | 2019 £'000 | 2018 £'000 |
|---|---------------|---------------|
| UK corporation tax on profit for the year | 66 | 52 |
| Adjustments in respect of prior periods | - | (348) |
| Total current tax charge / (credit) | 66 | (296) |
| Total tax charge / (credit) on profit on ordinary activities | 66 | (296) |

(ii) Reconciliation of effective tax rate

| | 2019 £'000 | 2018 £'000 |
|---|---------------|---------------|
| Profit on ordinary activities before taxation | 347 | 274 |
| Tax on profit on ordinary activities at standard UK corporation tax rate of 19% (2018: 19%) | 66 | 52 |
| Effects of: | | |
| Adjustments in respect of current income tax of previous years | - | (348) |
| Tax charge / (credit) on profit on ordinary activities | 66 | (296) |

9. Debtors

| | 2019 £'000 | 2018 £'000 |
|---|---------------|---------------|
| Due within one year: | | |
| Amounts owed by Bupa group undertakings | 9,103 | 9,090 |

Amounts owed by Bupa group undertakings are unsecured, have no fixed date of repayment and are repayable on demand.

| | £'000 | £'000 |
|---|--------|--------|
| Amounts owed by Bupa group undertakings | 20,559 | 20,147 |

Loans to Bupa group undertakings are repayable after five years as follows.

| | Date issued | Repayment date | Interest rate | 2019 £'000 | 2018 £'000 |
|---------------------------|-------------|----------------|--|---------------|---------------|
| Bupa Care Homes (CFG) Plc | June 2017 | June 2027 | Six months LIBOR plus 110 basis points | 20,559 | 20,147 |

Notes to the financial statements (continued)

10. Creditors – amounts falling due after more than one year

| | 2019 £'000 | 2018 £'000 |
|------------------------------------|---------------|---------------|
| Loans from Bupa group undertakings | 7,383 | 7,239 |

Loans from Bupa group undertakings are repayable after five years as follows.

| | Date issued | Repayment date | Interest rate | 2019 £'000 | 2018 £'000 |
|-------------------------------|----------------|-------------------|--|---------------|---------------|
| Bupa Care Homes (ANS) Limited | September 2015 | September 2025 | Six months LIBOR plus 110 basis points | 7,383 | 7,239 |

11. Called up share capital

| | 2019 £'000 | 2018 £'000 |
|---|---------------|---------------|
| Equity interest | | |
| Allotted, called up and fully paid | | |
| 151,000 (2018: 151,000) ordinary shares of £ 1 each | 151 | 151 |

Amounts owed by Bupa group undertakings are unsecured, have no fixed date of repayment and are repayable on demand.

12. Contingent liabilities, guarantees and other financial commitments

(i) Contingent liabilities

The Company has no outstanding contingent liabilities at the end of either year.

(ii) Guarantees

The Company has no outstanding guarantees at the end of either year.

(iii) Financial commitments

The Company has no outstanding financial commitments at the end of either year

13. Related party transactions

The Company has applied the disclosure exemptions available under FRS 101 in respect of transactions with wholly owned subsidiaries within the consolidated group.

See note 4 for disclosure of the Directors' remuneration.

14. Post Balance Sheet Event

On March 11, 2020, the World Health Organization declared Coronavirus COVID-19 a pandemic, due to its rapid spread throughout the world. Most governments are taking restrictive measures to contain the spread and the situation is significantly affecting the global economy, due to the interruption or slowdown of supply chains and the significant increase in economic uncertainty, evidenced by an increase in the volatility of asset prices, exchange rates and a decrease in long-term interest rates.

As the implications of COVID-19 are indicative of conditions that arose after the end of the reporting period end, it is a subsequent event that does not require any adjustments to the annual accounts for the financial year 2019. Whilst it is not possible, at this stage, to accurately estimate the financial impacts of this crisis, the Directors note, as at the date of approval of these financial statements, there has been no significant disruption in the Company's business up to the date of approval of these financial statements. However, as at the date of approval of these financial statements, it is not currently considered that there are any significant doubts over the Company's ability to continue as a going concern for at least a year from the date of approval of these financial statements. We continue to monitor our business for potential impacts and to manage the associated risks.