

Company registration number SC412450 (Scotland)

LORIMER CARE HOMES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

LORIMER CARE HOMES LIMITED

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LORIMER CARE HOMES LIMITED

COMPANY INFORMATION

Directors	L Blackwood S Clarke-Kuehn C Moule N Seymour
Secretary	N Seymour
Company number	SC412450
Registered office	Sanctuary House 7 Freeland Drive Glasgow G53 6PG
Auditor	Consilium Audit Limited 169 West George Street Glasgow Scotland G2 2LB

LORIMER CARE HOMES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present the strategic report for the year ended 31 December 2022.

Principal activities

The principal activity of the company continued to be that of a holding company.

Review of business

Lorimer Care Homes Limited owns 5 care homes, and leases them out to its subsidiary undertakings.

The aim of these subsidiaries is to provide a care service for older persons, placing emphasis on promoting health and independence.

Outlook

The company's outlook is very positive with all homes performing well and ongoing improvement projects underway to further enhance our services.

Key performance indicators

The company's income for the year remained at £865,000 during the year.

In addition, overheads have decreased during the year, leaving an operating profit of £67,335 compared to a loss of £501,894 in the prior period.

At the year end the company had shareholder's funds of £6,995,498 compared to £7,802,486 at the previous year end.

Principal risks and uncertainties

The principle risks facing the business remain recruitment and retention of quality staff and the ability to maintain occupancy in challenging environments. The directors believe that the quality of service provided and the strong reputation of the homes minimises the impact of these risks.

Financial risk management objectives and policies

The company finances its operations through its retained profits. Management's objective is to retain sufficient liquid funds to enable it to meet its day to day obligations as they fall due.

On behalf of the board

L Blackwood
Director

27 September 2023

LORIMER CARE HOMES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their annual report and financial statements for the year ended 31 December 2022.

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

L Blackwood
S Clarke-Kuehn
C Moule
N Seymour
J Thallon
D French

(Resigned 23 March 2022)

(Resigned 23 March 2022)

Auditor

The auditor, Consilium Audit Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 period. 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

LORIMER CARE HOMES LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

On behalf of the board

L Blackwood
Director

27 September 2023

LORIMER CARE HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LORIMER CARE HOMES LIMITED

Opinion

We have audited the financial statements of Lorimer Care Homes Limited (the 'company') for the year ended 31 December 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

LORIMER CARE HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LORIMER CARE HOMES LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us 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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- We ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- We identified the laws and regulations applicable to the company through discussions with directors and management and from our knowledge of the regulatory environment relevant to the company.
- We assessed the extent of compliance with laws and regulations through making enquiries of management and inspecting legal correspondence.
- We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management as to where they considered there was susceptibility to fraud and their knowledge of actual, suspected and alleged fraud.
- To address the risk of fraud through management bias and override of controls, we tested journal entries to identify unusual transactions, we assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias and we investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

LORIMER CARE HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) **TO THE MEMBERS OF LORIMER CARE HOMES LIMITED**

Use of our report

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.

Brian Thomson BA(Hons) CA
Senior Statutory Auditor
For and on behalf of Consilium Audit Limited
Statutory Auditor

169 West George Street
Glasgow
Scotland
G2 2LB

27 September 2023

LORIMER CARE HOMES LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

		2022	2021
	Notes	£	£
Administrative expenses		(797,645)	(1,366,894)
Other operating income		865,000	865,000
Profit/(loss) before taxation		67,355	(501,894)
Tax on profit/(loss)	5	(114,184)	(46,480)
Loss for the financial year		(46,829)	(548,374)

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 11 to 18 form part of these financial statements.

LORIMER CARE HOMES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	6	17,463,285		16,717,696	
Investments	7	9,385,979		9,385,979	
		<u>26,849,264</u>		<u>26,103,675</u>	
Current assets					
Debtors	9	4,426		8,468	
Cash at bank and in hand		926,221		121,555	
		<u>930,647</u>		<u>130,023</u>	
Creditors: amounts falling due within one year	10	(19,953,476)		(17,594,446)	
Net current liabilities		<u>(19,022,829)</u>		<u>(17,464,423)</u>	
Total assets less current liabilities		<u>7,826,435</u>		<u>8,639,252</u>	
Provisions for liabilities					
Deferred tax liability	11	830,937		836,766	
		<u>(830,937)</u>		<u>(836,766)</u>	
Net assets		<u>6,995,498</u>		<u>7,802,486</u>	
Capital and reserves					
Called up share capital	12	2		2	
Revaluation reserve	13	200,000		200,000	
Capital contribution reserve	13	9,585,522		10,345,681	
Profit and loss reserves	13	(2,790,026)		(2,743,197)	
Total equity		<u>6,995,498</u>		<u>7,802,486</u>	

The notes on pages 11 to 18 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 27 September 2023 and are signed on its behalf by:

L Blackwood
Director

Company Registration No. SC412450

LORIMER CARE HOMES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Revaluation reserve	Capital contribution reserve	Profit and loss reserves	Total
	£	£	£	£	£
Balance at 1 January 2021	2	200,000	10,345,681	(2,194,823)	8,350,860
Year ended 31 December 2021:					
Loss and total comprehensive income for the year	-	-	-	(548,374)	(548,374)
Balance at 31 December 2021	2	200,000	10,345,681	(2,743,197)	7,802,486
Year ended 31 December 2022:					
Loss and total comprehensive income for the year	-	-	-	(46,829)	(46,829)
Distributions to parent charity under gift aid	-	-	(760,159)	-	(760,159)
Balance at 31 December 2022	2	200,000	9,585,522	(2,790,026)	6,995,498

The notes on pages 11 to 18 form part of these financial statements.

LORIMER CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Lorimer Care Homes Limited is a private company limited by shares incorporated in Scotland. The registered office is Sanctuary House, 7 Freeland Drive, Glasgow, G53 6PG. The company's registration number is SC412450.

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.

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.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Tangible fixed assets

During the year under review, the directors have chosen to apply the exemption under FRS 102 Triennial Review for accounting for investment properties rented to group companies at fair value and account for them at cost, net of depreciation. As a result these financial statements have reclassified the five care homes from investment properties to heritable properties and depreciated the assets from the date of transition. The effect of this change in accounting policy is to align the accounting treatment in the company with the accounting treatment in the consolidated accounts of the group.

As a result of the change in policy, tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

LORIMER CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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:

Freehold land and buildings	35 years straight line
Fixtures and fittings	13.33% on straight line
Motor vehicles	25% straight line

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 the profit and loss account.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the profit and loss account.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.5 Impairment of fixed assets

Where a reasonable and consistent basis of allocation can be identified, assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

1.6 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the profit and loss account, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

LORIMER CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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 company 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 company after deducting all of its liabilities.

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 company's contractual obligations expire or are discharged or cancelled.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 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.

LORIMER CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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.

1.9 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.10 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 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors 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.

3 Operating profit/(loss)

	2022	2021
	£	£
Operating profit/(loss) for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	37,000	33,000
Depreciation of owned tangible fixed assets	692,804	719,816
	<u> </u>	<u> </u>

LORIMER CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Employees

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

	2022 Number	2021 Number
Management	-	-

5 Taxation

	2022 £	2021 £
Current tax		
UK corporation tax on profits for the current period	90,321	-
Adjustments in respect of prior periods	29,692	(72,286)
Total current tax	120,013	(72,286)
Deferred tax		
Origination and reversal of timing differences	(5,829)	118,766
Total tax charge	114,184	46,480

6 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2022	17,737,106	1,633,470	41,214	19,411,790
Additions	1,212,097	226,296	-	1,438,393
At 31 December 2022	18,949,203	1,859,766	41,214	20,850,183
Depreciation and impairment				
At 1 January 2022	1,939,445	713,435	41,214	2,694,094
Depreciation charged in the year	451,368	241,436	-	692,804
At 31 December 2022	2,390,813	954,871	41,214	3,386,898
Carrying amount				
At 31 December 2022	16,558,390	904,895	-	17,463,285
At 31 December 2021	15,797,661	920,035	-	16,717,696

LORIMER CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Fixed asset investments

	Notes	2022 £	2021 £
Investments in subsidiaries	8	9,385,979	9,385,979

8 Subsidiaries

Details of the company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Glenfairn Limited	Sanctuary House, 7 Freeland Drive, Glasgow, Scotland, G2 2LB	Provision of care facilities	Ordinary	100.00
Tayside Care Limited	Sanctuary House, 7 Freeland Drive, Glasgow, Scotland, G2 2LB	Provision of care facilities	Ordinary	100.00
Gate Healthcare Limited	Sanctuary House, 7 Freeland Drive, Glasgow, Scotland, G2 2LB	Provision of care facilities	Ordinary	100.00

9 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	4,426	8,468

10 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	-	24,735
Amounts owed to group undertakings	19,641,667	17,501,830
Corporation tax	130,529	-
Accruals and deferred income	181,280	67,881
	19,953,476	17,594,446

Amounts due to group undertakings are interest free and repayable on demand.

LORIMER CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

11 Deferred taxation

The following are the major deferred tax liabilities recognised by the company and movements thereon:

	2022 £	2021 £
Balances:		
Accelerated capital allowances	348,937	360,766
Unrealised gain	482,000	476,000
	<u>830,937</u>	<u>836,766</u>
Movements in the year:		2022 £
Liability at 1 January 2022		836,766
Credit to profit or loss		(5,829)
		<u>830,937</u>
Liability at 31 December 2022		<u>830,937</u>

12 Share capital

	2022 Number	2021 Number	2022 £	2021 £
Issued and fully paid				
Ordinary shares A of 0.5p each	201	201	1	1
Ordinary shares B of 0.5p each	199	199	1	1
	<u>400</u>	<u>400</u>	<u>2</u>	<u>2</u>

Each class of share rank pari passu in all respect. When declaring dividends, each class of shares is entitled to dividends to the exclusion of the other and differing amounts may be declared in respect of each class.

13 Reserves

Revaluation reserve

The revaluation reserve represents the unreleased gain on the properties transferred from its subsidiaries to the company.

Profit and loss reserve

Profit and loss reserve represents the distributable profits of the company.

Capital contribution reserve

The capital contribution reserve represents the contribution made by Sanctuary Housing Association to the company during the prior period to repay its debt in full.

LORIMER CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

14 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	3,250	13,000
Between two and five years	-	3,250
	<u>3,250</u>	<u>16,250</u>

16 Ultimate parent undertaking and controlling party

Sanctuary Housing Association is regarded by the directors as being the company's ultimate parent undertaking and controlling party.

The company is included by full consolidation in the consolidated financial statements of its ultimate parent, Sanctuary Housing Association registered at Sanctuary House, Chamber Court, Castle Street, Worcester, WR1 3ZQ, England. Copies of the consolidated financial statements are available at this address.

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.