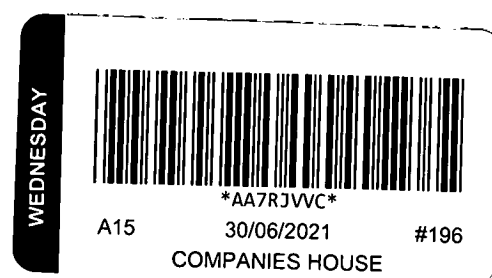


Registered number: 04877647

TC CAREHOME LIMITED
FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
YEAR ENDED 30 SEPTEMBER 2020

RPG CROUCH CHAPMAN LLP
Chartered Accountants
5th Floor
14 - 16 Dowgate Hill
London
EC4R 2SU



TC CAREHOME LIMITED
REGISTERED NUMBER:04877647

BALANCE SHEET
AS AT 30 SEPTEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	5	39,626	71,074
Tangible assets	6	1,374,257	1,374,300
		<u>1,413,883</u>	<u>1,445,374</u>
Current assets			
Stocks		-	4,020
Debtors: falling due within one year	7	362,604	260,984
Cash at bank and in hand	8	84,583	41,829
		<u>447,187</u>	<u>306,833</u>
Creditors: falling due within one year	9	(435,740)	(356,091)
Net current assets/(liabilities)		<u>11,447</u>	<u>(49,258)</u>
Total assets less current liabilities		<u>1,425,330</u>	<u>1,396,116</u>
Creditors: after more than one year	10	(569,742)	(815,170)
Provisions for liabilities			
Deferred tax	11	(92,707)	(91,065)
Net assets		<u><u>762,881</u></u>	<u><u>489,881</u></u>
Capital and reserves			
Called up share capital		100	100
Revaluation reserve	12	435,317	438,410
Profit and loss account	12	327,464	51,371
		<u><u>762,881</u></u>	<u><u>489,881</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

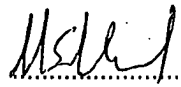
The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 June 2021.

TC CAREHOME LIMITED
REGISTERED NUMBER:04877647

BALANCE SHEET (CONTINUED)
AS AT 30 SEPTEMBER 2020



M S Johal
Director

The notes on pages 4 to 15 form part of these financial statements.

TC CAREHOME LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total equity £
At 1 June 2018	100	688,477	420,796	1,109,373
Comprehensive income for the period				
Profit for the period	-	-	1,166,641	1,166,641
Dividends: Equity capital	-	-	(1,786,133)	(1,786,133)
Transfer to/from profit and loss account	-	(250,067)	250,067	-
At 1 October 2019	100	438,410	51,371	489,881
Comprehensive income for the year				
Profit for the year	-	-	273,000	273,000
Transfer to/from profit and loss account	-	(3,093)	3,093	-
At 30 September 2020	100	435,317	327,464	762,881

The notes on pages 4 to 15 form part of these financial statements.

TC CAREHOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. General information

TC Carehome Limited, company registration number 04877647, is a private limited company incorporated in England and Wales. The company's registered office is 2nd Floor, The Priory Stomp Road, Burnham, Slough, Bucks, England, SL1 7LW.

The principal activity of the company is the provision of nursing care for the elderly.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The Company made a profit in the year of £273k (2019: £1,167k). Post year end, the Company's group has been impacted operationally from Co-Vid 19 however it has continued to trade profitably, generate cash and meets its obligations as they fall due. The Directors have considered the impact on the coronavirus on the Company up to 30 September 2022 and consider that they have sufficient resources to cover the impact on operations to allow them to meet their obligations as they fall due. As a result, they have prepared the financial statements on a going concern basis.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.5 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.6 Sale and leaseback

Where a sale and leaseback transaction results in a finance lease, no gain is immediately recognised for any excess of sales proceeds over the carrying amount of the asset. Instead, the proceeds are presented as a liability and subsequently measured at amortised cost using the effective interest method.

When a sale and leaseback transaction results in an operating lease, and it is clear that the transition is established at fair value any profit or loss is recognised immediately. If the sale price is below fair value, any profit or loss is recognised immediately unless the loss is compensated for by the future lease payments at below market price. In that case any such loss is amortised in proportion to the lease payments over the period for which the asset is expected to be used. If the sale price is above fair value, the excess over fair value is amortised over the period for which the asset is expected to be used.

2.7 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.8 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.10 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.11 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as follows:

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
Long-term leasehold property	- 175 years straight line
Plant and machinery	- 20% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.13 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance Sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of Comprehensive Income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.14 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.15 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.16 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.17 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.19 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.19 Financial instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

2.20 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Ground rent transaction

As part of the accounting for the ground rent transaction, judgment is required in determining whether the subsequent lease back is an operating lease or finance lease, based on an evaluation of the terms and conditions of the arrangements and whether it obtains all of the significant risks and rewards of ownership of the property. In determining the nature of the lease, it is recognised that there is a significant element of judgment and that there is an element of each type of lease embedded within. Having considered the overall transaction and evaluated the terms and conditions of the arrangement, the directors concluded that in substance the land element of the leases represented an operating lease and the building elements represented a finance lease. The profit arising on the sale of the ground rent interest on the operating lease element is included in the Statement of Comprehensive Income, whilst the profit arising on the sale of the ground rent interest on the finance lease element, in accordance with FRS 102 is included as an other creditor on the Statement of Financial Position with this element of the profit released to the profit and loss account over the term of the ground lease.

Another judgement that has had a significant effect on the amounts recognised in the financial statements is the treatment of the coronavirus as an unadjusting post balance sheet event. In drawing this conclusion the Directors, have considered the level of coronavirus cases being reported at the year end and consider that the outbreak, the resulting lockdown and impact on operations were not a condition that existed at the balance sheet date. Therefore the impact of these events is not considered an indicator of impairment as at the year end date. The ultimate impact of the pandemic remains unknown and therefore it is not possible to predict the financial impact at this time.

TC CAREHOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

4. Employees

The average monthly number of employees, including directors, during the year was 51 (2019 - 85).

5. Intangible assets

	Goodwill £
Cost	
At 1 October 2019	314,482
At 30 September 2020	<u>314,482</u>
Amortisation	
At 1 October 2019	243,408
Charge for the year on owned assets	<u>31,448</u>
At 30 September 2020	<u>274,856</u>
Net book value	
At 30 September 2020	<u><u>39,626</u></u>
At 30 September 2019	<u><u>71,074</u></u>

TC CAREHOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

6. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Total £
Cost or valuation			
At 1 October 2019	1,486,235	191,397	1,677,632
Additions	-	8,229	8,229
Disposals	-	(191,397)	(191,397)
At 30 September 2020	<u>1,486,235</u>	<u>8,229</u>	<u>1,494,464</u>
Depreciation			
At 1 October 2019	111,936	191,397	303,333
Charge for the year on owned assets	7,854	417	8,271
Disposals	-	(191,397)	(191,397)
At 30 September 2020	<u>119,790</u>	<u>417</u>	<u>120,207</u>
Net book value			
At 30 September 2020	<u>1,366,445</u>	<u>7,812</u>	<u>1,374,257</u>
At 30 September 2019	<u>1,374,300</u>	<u>-</u>	<u>1,374,300</u>

The property was revalued during the year based on an open market valuation by professional valuers Jones Lang LaSalle Limited on 10 June 2019.

The directors have considered the impact of COVID on the carrying value of the long leasehold interest and based on their view of current market conditions do not consider any revaluation to be necessary.

TC CAREHOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

7. Debtors

	2020 £	2019 £
Trade debtors	116,086	145,398
Amounts owed by group undertakings	226,851	74,851
Other debtors	1,732	25,991
Prepayments and accrued income	17,935	14,744
	<u>362,604</u>	<u>260,984</u>

8. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	84,583	41,829
	<u>84,583</u>	<u>41,829</u>

9. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	36,121	15,166
Amounts owed to group undertakings	146,641	26,941
Corporation tax	65,860	161,698
Other taxation and social security	65,579	5,780
Obligations under finance lease and hire purchase contracts	5,763	5,763
Other creditors	51,891	70,907
Accruals and deferred income	63,885	69,836
	<u>435,740</u>	<u>356,091</u>

TC CAREHOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

10. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Net obligations under finance leases and hire purchase contracts	138,531	138,537
Amounts owed to group undertakings	310,205	554,927
Other creditors	121,006	121,706
	<u>569,742</u>	<u>815,170</u>

Under FRS 102 and as described in the company's accounting policies, the finance lease element of the profit on disposal arising from the sale of company's ground rent interest in 2019 was not recognised immediately in the profit and loss account of the company. Therefore a short-term other creditor of £699 (2019 - £699) and long term other creditor of £121,006 (2019 - £121,706) is included on the company's statement of financial position and these will be released to the profit and loss account over the 175 year term of the ground rent lease.

11. Deferred taxation

	2020 £	2019 £
At beginning of year	(91,065)	(290,000)
Charged to profit or loss	(1,642)	-
Utilised in year	-	198,935
At end of year	<u>(92,707)</u>	<u>(91,065)</u>

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	8,636	11,771
Revaluation of property	(101,343)	(102,836)
	<u>(92,707)</u>	<u>(91,065)</u>

TC CAREHOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

12. Reserves

Revaluation reserve

A revaluation reserve records the surplus that arise when the value of an asset becomes greater than the value at which it was previously carried on the balance sheet.

Profit and loss account

The profit and loss account reserve is comprised of the accumulated profits and losses of the company, less any dividends paid.

13. Contingent liabilities

The group has a cross-guarantee in place in respect of the bank facilities of Group companies. The guarantee provided is over the assets of the group and no liability was incurred by the company in the year.

14. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £9,555 (2019 - £8,047) . Contributions outstanding at the year end amounted to £Nil (2019 - £Nil).

15. Post balance sheet events

The UK government placed the country into a second lockdown in November 2020 due to the outbreak of the coronavirus and subsequently released some of the restrictions. The directors have considered the impact of this on the company's operations and have implemented procedures to reduce the chances of an outbreak in the individual homes and to reduce the impact in the event of an outbreak. Post year end, the trading has not varied significantly from that predicted prior to the coronavirus and the company continues to trade and develop as expected. As such, at the date of signing this report, they do not consider that the economic impact of the coronavirus will have a significant impact on the financial statements.

16. Controlling party

The company's immediate parent is Care Concern Management OA Limited. The ultimate parent company is Ten M II Limited which is ultimately controlled by members of the Johal family.

Copies of the consolidated financial statements for Ten M II Limited can be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff CF14 3UZ.

TC CAREHOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

17. Auditor's information

The auditor's report on the financial statements for the year ended 30 September 2020 was unqualified.

The audit report was signed on 29 June 2021 by Paul Randall BA ACA (Senior Statutory Auditor) on behalf of RPG Crouch Chapman LLP.