

**CZAJKA GROUP HOLDINGS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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COMPANIES HOUSE

# CZAJKA GROUP HOLDINGS LIMITED

## COMPANY INFORMATION

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|                          |  |
|--------------------------|--|
| <b>Director</b>          | Mr Konrad Czajka   |
| <b>Secretary</b>         | Mrs Janina Czajka  |
| <b>Company number</b>    | 06773548   |
| <b>Registered office</b> | Victoria House<br>66 - 70 Bingley Road<br>Saltaire<br>Shipley<br>West Yorkshire<br>BD18 4DJ              |
| <b>Auditor</b>           | BHP LLP<br>New Chartford House<br>Centurion Way<br>Cleckheaton<br>Bradford<br>West Yorkshire<br>BD19 3QB |

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# CZAJKA GROUP HOLDINGS LIMITED

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# CZAJKA GROUP HOLDINGS LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The director presents the strategic report for the year ended 31 December 2020.

### **Review of the business**

The company has not traded during the year. As a result, there are no principal risks or uncertainties that the company face.

On behalf of the board

*Konrad Czajka*

Konrad Czajka - Sep 28, 2021 15:23 GMT+1

.....  
**Mr Konrad Czajka**

**Director**

Sep 28, 2021

.....

# CZAJKA GROUP HOLDINGS LIMITED

## DIRECTOR'S REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

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The director presents his annual report and financial statements for the year ended 31 December 2020.

#### Principal activities

The principal activity of the company is that of a holding company.

#### Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

#### Director

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

Mr Konrad Czajka

#### Auditor

In accordance with the company's articles, a resolution proposing that BHP LLP be reappointed as auditor of the company will be put at a General Meeting.

#### 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.

On behalf of the board

*Konrad Czajka*

Konrad Czajka Sep 28, 2021 15:03 CMT-1

.....  
Mr Konrad Czajka

Director

Sep 28, 2021  
Date: .....

# **CZAJKA GROUP HOLDINGS LIMITED**

## **DIRECTOR'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020**

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The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 director is 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. He is 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.

The director is responsible for the maintenance and integrity of the company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# CZAJKA GROUP HOLDINGS LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF CZAJKA GROUP HOLDINGS LIMITED

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#### Opinion

We have audited the financial statements of Czajka Group Holdings Limited (the 'company') for the year ended 31 December 2020 which comprise the profit and loss account, 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 FRS 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 2020 and of its profit 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 director's 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 director 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 director is 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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

# **CZAJKA GROUP HOLDINGS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF CZAJKA GROUP HOLDINGS LIMITED**

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#### **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 and the director's report.

We have nothing to report in respect of the following matters where 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of director**

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has 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.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations, relevant to the company, which could give rise to a material misstatement in the financial statements. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

As part of our audit, we addressed the risk of management override of internal controls. We evaluated whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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.



# **CZAJKA GROUP HOLDINGS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF CZAJKA GROUP HOLDINGS LIMITED**

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#### **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 him 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.

*BHP LLP*  
MEMBERS' ACCOUNTANTS LLP

**Nigel Bullas (Senior Statutory Auditor)**  
**For and on behalf of BHP LLP**

28 September 2021

**Chartered Accountants**  
**Statutory Auditor**

New Chartford House  
Centurion Way  
Cleckheaton  
Bradford  
West Yorkshire  
BD19 3QB

# CZAJKA GROUP HOLDINGS LIMITED

## PROFIT AND LOSS ACCOUNT

*FOR THE YEAR ENDED 31 DECEMBER 2020*

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|                               | 2020     | 2019     |
|-------------------------------|----------|----------|
|                               | £        | £        |
| Profit before taxation        | -        | -        |
| Tax on profit                 | -        | -        |
| Profit for the financial year | <u>-</u> | <u>-</u> |

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# CZAJKA GROUP HOLDINGS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2020

|   | Notes | 2020<br>£   | £ | 2019<br>£   | £ |
|---|-------|-------------|---|-------------|---|
| <b>Fixed assets</b>                                   |       |             |   |             |   |
| Investments   | 3     | 11,231,665  |   | 11,231,665  |   |
| <b>Current assets</b>                                 |       |             |   |             |   |
| Debtors   | 6     | 1           |   | 1           |   |
| <b>Creditors: amounts falling due within one year</b> | 5     | (1,184,665) |   | (1,184,665) |   |
| <b>Net current liabilities</b>                        |       | (1,184,664) |   | (1,184,664) |   |
| <b>Net assets</b>                                     |       | 10,047,001  |   | 10,047,001  |   |
| <b>Capital and reserves</b>                           |       |             |   |             |   |
| Called up share capital                               | 7     | 5,973       |   | 5,973       |   |
| Share premium account                                 |       | 5,966,028   |   | 5,966,028   |   |
| Profit and loss reserves                              |       | 4,075,000   |   | 4,075,000   |   |
| <b>Total equity</b>                                   |       | 10,047,001  |   | 10,047,001  |   |

The financial statements were approved and signed by the director and authorised for issue on ..... Sep 28, 2021

Konrad Czajka  
Konrad Czajka Sep 28, 2021 15:13 GMT+2  
 .....  
 Mr Konrad Czajka  
 Director

Company Registration No. 06773548

# CZAJKA GROUP HOLDINGS LIMITED

## STATEMENT OF CHANGES IN EQUITY

**FOR THE YEAR ENDED 31 DECEMBER 2020**

|  | Share<br>capital<br>£ | Share<br>premium<br>account<br>£ | Profit and<br>loss<br>reserves<br>£ | Total<br>£ |
|--|-----------------------|----------------------------------|-------------------------------------|------------|
| <b>Balance at 1 January 2019</b>                   | 5,973                 | 5,966,028                        | 4,075,000                           | 10,047,001 |
| <b>Year ended 31 December 2019:</b>                |                       |                                  |                                     |            |
| Profit and total comprehensive income for the year | -                     | -                                | -                                   | -          |
| <b>Balance at 31 December 2019</b>                 | 5,973                 | 5,966,028                        | 4,075,000                           | 10,047,001 |
| <b>Year ended 31 December 2020:</b>                |                       |                                  |                                     |            |
| Profit and total comprehensive income for the year | -                     | -                                | -                                   | -          |
| <b>Balance at 31 December 2020</b>                 | 5,973                 | 5,966,028                        | 4,075,000                           | 10,047,001 |

# CZAJKA GROUP HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

##### Company information

Czajka Group Holdings Limited is a private company limited by shares incorporated in England and Wales. The registered office is Victoria House, 66 - 70 Bingley Road, Saltaire, Shipley, West Yorkshire, BD18 4DJ.

##### 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 on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

A entity has taken advantage of the following disclosure exemptions:

- The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d).
- The requirements of Section 11 paragraphs 11.39 to 11.48A and Section 12 paragraphs 12.26 to 12.29A providing the equivalent disclosures required by this FRS are included in the consolidated financial statements of the group in which the entity is consolidated.
- The requirement of Section 33 Related Party Disclosures paragraph 33.7

The company has taken exemption from preparing group accounts as it is included in consolidated accounts for Redhall Limited, its ultimate parent undertaking which are drawn up as full consolidated audited accounts which are filed at Companies House.

##### 1.2 Going concern

The Directors have considered the impact of COVID-19 on the Company's trade, workforce and supply chain, as well as the wider economy. Whilst it is not considered practical to accurately assess the duration and extent of the disruption, the Directors are confident that they have in place plans to deal with any financial losses that may arise.

##### 1.3 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 profit or loss.

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.

# CZAJKA GROUP HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### 1.4 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 profit or loss, 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.

##### **Impairment of financial assets**

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

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

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

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the 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.

# CZAJKA GROUP HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

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.

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.5 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.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is 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 Fixed asset investments

|                             | Notes | 2020<br>£  | 2019<br>£  |
|-----------------------------|-------|------------|------------|
| Investments in subsidiaries | 10    | 11,231,665 | 11,231,665 |

# CZAJKA GROUP HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 4 Financial instruments

|   | 2020<br>£ | 2019<br>£ |
|---|-----------|-----------|
| <b>Carrying amount of financial assets</b>      |           |           |
| Debt instruments measured at amortised cost     | 1         | 1         |
| <b>Carrying amount of financial liabilities</b> |           |           |
| Measured at amortised cost                      | 1,184,665 | 1,184,665 |

### 5 Creditors: amounts falling due within one year

|  | Notes | 2020<br>£ | 2019<br>£ |
|--|-------|-----------|-----------|
| Amounts due to subsidiary undertakings |       | 1,166,665 | 1,163,665 |
| Other creditors                        |       | 18,000    | 21,000    |
|  |       | 1,184,665 | 1,184,665 |

#### Security of borrowings

Bank loans and overdrafts in subsidiary companies are secured by a charge held over the freehold land and buildings, together with a cross guarantee and debenture with Brookfield Care Limited, Czajka Care Limited, Fairmount Limited and Czajka Properties Limited, dated 6 February 2009.

### 6 Debtors

|   | 2020<br>£ | 2019<br>£ |
|---|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Other debtors                               | 1         | 1         |

### 7 Share capital

|   | 2020<br>Number | 2019<br>Number | 2020<br>£ | 2019<br>£ |
|---|----------------|----------------|-----------|-----------|
| <b>Ordinary share capital<br/>Issued and fully paid</b> |                |                |           |           |
| Ordinary shares of £1 each                              | 5,973          | 5,973          | 5,973     | 5,973     |

Every member shall have one vote for every share of which they are the holder. All dividends shall be apportioned and paid proportionately to the amounts paid up on the ordinary shares.

### 8 Related party transactions

The company has taken advantage of the requirement of Section 33 Related Party Disclosures paragraph 33.7 from disclosing transactions with wholly owned members of the group.



# CZAJKA GROUP HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### 9 Controlling party

The company is controlled by Redhall Limited, a company incorporated in the Isle of Man. Ultimate control is vested in Mr K Czajka.

#### Consolidated financial statements

The financial statements contain information about Czajka Group Holdings Limited as an individual company and do not contain consolidated financial information on the group to which Czajka Group Holdings Limited belongs.

The financial statements of Redhall Limited, which consolidate those of its subsidiary companies are available from:

Redhall Limited  
Victoria House  
66-70 Bingley Road  
Saltaire  
Shipley  
West Yorkshire  
BD18 4DJ

### 10 Subsidiaries

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

| Name of undertaking       | Class of shareholding | % Held |          |
|---------------------------|-----------------------|--------|----------|
|                           |                       | Direct | Indirect |
| Brookfield Care Limited   | Ordinary £1 shares    | -      | 100.00   |
| Czajka Care Limited       | Ordinary £1 shares    | 100.00 | -        |
| Czajka Properties Limited | Ordinary £1 shares    | 100.00 | -        |
| Fairmount Limited         | Ordinary £1 shares    | 100.00 | -        |

**Company Registration No. 002254V (Isle of Man)**

THESE ACCOUNTS  
FORM PART OF THE  
GROUP ACCOUNTS  
OF COMPANY  
No. 6773548

1. 1990年1月1日起，凡在境内销售货物或提供应税劳务的单位和个人，均须依法缴纳增值税。

# REDHALL LIMITED

## COMPANY INFORMATION

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|                          |  |
|--------------------------|--|
| <b>Directors</b>         | Mr Konrad Czajka<br>Mrs Janina Czajka  |
| <b>Company number</b>    | 002254V  |
| <b>Registered office</b> | First Floor<br>Jubilee Building<br>Victoria Street<br>Douglas<br>Isle of Man<br>IM1 2SH                  |
| <b>Auditor</b>           | BHP LLP<br>New Chartford House<br>Centurion Way<br>Cleckheaton<br>Bradford<br>West Yorkshire<br>BD19 3QB |

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# REDHALL LIMITED

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# REDHALL LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

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The directors present the strategic report for the year ended 31 December 2020.

#### Fair review of the business

The Group is a leading provider of Care for the elderly and disabled in Bradford and the surrounding areas. The group has established a reputation and a recognised brand that has proven invaluable during the last difficult 12 month period.

Group turnover was marginally down by 4%. Turnover from the care homes and nursing homes remained static, but turnover from the other areas of operation, ie the retirement homes and the clubhouse and leisure facilities were down as they were forced to close as a result of Covid 19.

Gross Margins were also down due mainly the continued impact of payroll costs on the business. Recruitment and retention still remains one of the largest challenges for the group.

The group has benefitted from local authority and government support in connection with reduced occupancy levels for which it has been extremely grateful. The group has also benefitted from good returns on the sale of some of its retirement homes and apartments which lifted the overall group profits over last year.

The directors continue to monitor the performance of its various interests and is always looking and investing in the businesses to ensure that it is fit for purpose in the future.

#### Principal risks and uncertainties

There are numerous risks that affect the group's ability to meet its trading objectives. The primary ones being:

The impact of state funding available in the sector, Local Authorities continue to pay care and nursing home fees at a level which falls short of that which is required to deliver quality care at the same time as costs continue to rise. The Directors continue to monitor the level of funding and take appropriate decisions.

The ongoing process of Brexit and eventual outcomes are likely to have a range of impacts including on the recruitment of staff at a time when there is a national shortage of nurses.

The maintenance of quality and reputation is of high priority to the board and as such internal systems are focused on key factors to ensure any indication of quality concern are promptly investigated and resolved.

COVID 19 has impacted the care home sector particularly badly throughout the year. Occupancy levels have been lower but this is now recovering and we are starting to see more admissions post year end. The directors have monitored the situation closely and made the appropriate changes to ensure the smooth operation of the business.

#### Key performance indicators

The group's key financial and other performance indicators during the year were as follows:

|                     | Unit | 2020      | 2019      |
|---------------------|------|-----------|-----------|
| Turnover            | £    | 8,503,472 | 8,874,984 |
| Gross profit margin | %    | 23        | 24        |
| Profit before tax   | £    | 887,041   | 256,554   |

At the end of the year, the net assets of the company totalled £5,973 (2019 - £5,973) and of the group £15,390,499 (2019 - £14,679,164).

#### Stakeholder engagement

##### Stakeholder engagement

As the Board at Redhall Limited, we have a legal responsibility under section 172 of the Companies Act 2006 to act in the way we consider, in good faith, would be most likely to promote the company's success for the benefit of its members as a whole, and to have regard to the long-term effect of our decisions on the company and its stakeholders. This statement addresses the ways in which we as a Board outwork this responsibility.

# REDHALL LIMITED

## STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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*Promoting the company's success for its members*

Czajka Care Group is a family run business established in Saltaire in 1983. We offer quality award-winning care for retired, elderly and disabled people.

We own and operate care homes and nursing homes in Bradford. Fairmount Nursing Home, Brookfield Care Home and Staveley Birk Leas Nursing Home, which are all in Nab Wood near Shipley, and Currergate Nursing Home in Steeton and Beanlands Nursing Home in Cross Hills.

We also have a stunning mix of luxury purpose-built retirement houses and apartments for people aged 55 and over at Currergate Mews in Steeton and Fairmount Park in Nab Wood, near the World Heritage Site of Saltaire. These are available through a variety of rental, full and shared equity options.

Renowned for offering an exceptional standard of service, our experienced, highly-trained, caring team, tailor our care to meet every individual's needs. Our five nursing and care homes are designed to be a real 'home from home' for our residents.

Set within beautiful landscaped gardens with easy access to shops and the local community, family and friends are welcome at all times. Our professional managers oversee all aspects of the running of the homes, ensuring that we provide the highest standards of service every single day.

We know that choosing the right care home is important, so our doors are always open for people to come and look round – it's the best way to get a real feel for the place. Come and meet our friendly staff and talk to the people who live here for a thorough insight into why so many people choose to make our homes their home.

Our core values that run through all five of our homes are:

**Compassion**

**Adaptability**

**Respect**

**Excellence**

**Safety**



# REDHALL LIMITED

## STRATEGIC REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### *Engaging with stakeholders*

Our key stakeholders, and the ways in which we engage with them are as follows:

#### **Our employees**

At Czajka Care Group, as well as caring about our residents, we always go the extra mile for our team of more than 300 people, promoting their well-being and career progression at every level.

As Czajka Care Group is family owned and run, we're not a faceless organisation. We value loyalty and provide career opportunities at all levels. Some of our team have been with the company for over 25 years – our dedication to training and development is a priority.

With a purpose-built training facility providing all new starters with four full induction days, we are leaders in our field – we even make our first-class training centre and courses available to other care home operators throughout the region to help promote best practice.

Roles include care and nursing staff at all levels, management positions and team leaders, ancillary, administration, finance and grounds staff, chefs, laundry assistants, activities coordinators, physiotherapists, clinical leads, mobile carers and much more.

#### **Our residents**

Choosing a care home can be a difficult decision – there are so many things to consider and it's essential you find the right home with the right types of care for you or your loved one.

All care and nursing homes are staffed 24 hours a day and provide accommodation, meals and help with personal care needs. Nursing homes also have registered nurses on duty at all times.

At Czajka Care Group we care for more than 250 people in our four nursing homes and one care home. Each of our homes is different, but they all provide a very comfortable and homely environment, with the highest levels of care and service.

We have also achieved the prestigious Investors in People Accreditation in recognition of our reputation as a leading employer and all our homes, as well as The Clubhouse at Fairmount Park, has a five-star Food Hygiene Rating Scheme Certificate

All our homes have also been awarded the highly sought after Gold Standard Framework Accreditation Quality Hallmark Award. We are very proud of all these accolades which are a tribute to our entire team, who work incredibly hard to achieve such high standards day in, day out.

One of our main beliefs is that true wellbeing for people of any age comes when they are connected to their communities, and have support and contact from people who genuinely care. That's a great place to start when choosing a care home.

#### **Our community**

We are a family-run company with roots in Bradford and have invested in our community through our charity donation scheme.

On behalf of the board

*Konrad Czajka*

Konrad Czajka <3 Sep 28, 2021, 15:05 GMT+1>

.....  
Mr Konrad Czajka

**Director**

Sep 28, 2021

Date: .....

# REDHALL LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

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The directors present their annual report and financial statements for the year ended 31 December 2020.

Information relating to fair review of the business, principal risks and uncertainties and future developments is included in the strategic report.

#### **Principal activities**

The principal activity of the company is that of a holding company.

The principal activity of the group is the provision of long term care to the elderly and young disabled, comprising the provision of nursing home facility, retirement communities, related property development and private leisure club operators.

#### **Directors**

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

Mr Konrad Czajka  
Mrs Janina Czajka

#### **Results and dividends**

The results for the year are set out on page 10.

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

#### **Financial instruments**

##### ***Price risk, credit risk, liquidity risk and cash flow risk***

The business' principal financial instruments comprise bank balances, bank overdrafts, trade debtors, trade creditors and loans to the business. The main purpose of these instruments is to finance the business' operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Loans comprise loans from the directors and from financial institutions. The interest rate and monthly repayments on the loans from financial institutions are fixed. The business manages the liquidity risk by ensuring that there are sufficient funds to meet the payments.

#### **Disabled persons**

The group's policy is to give full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities.

Disabled employees receive appropriate training to promote their career development within the group. Employees who become disabled are retained in their existing posts where possible or retrained for suitable alternative posts.



# REDHALL LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Employee Involvement**

Regular meetings are held between senior management and employee representatives to discuss matters of concern. Employees are kept well-informed about the progress and position of the group.

### **Auditor**

In accordance with the Isle of Man Companies Act 2006 there is no statutory requirement for the financial statements to be audited. The company may by resolution of the Shareholders call for the financial statements to be examined by an auditor. For the time being, the members of the company have requested an audit of the financial statements.

### **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 auditor of the company 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 auditor of the company is aware of that information.

On behalf of the board

Konrad Czajka  
Konrad Czajka Sep 28 2021 15:05 GMT+1

.....  
Mr Konrad Czajka

**Director**

Sep 28, 2021  
.....

# **REDHALL LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020**

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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 group and company, and of the profit or loss of the group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

The directors are responsible for the maintenance and integrity of the company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# REDHALL LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REDHALL LIMITED

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### Opinion

We have audited the financial statements of Redhall Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows 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 FRS 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 group's and the parent company's affairs as at 31 December 2020 and of the group's profit 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 group's and parent 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.

# REDHALL LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF REDHALL LIMITED

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### **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.

### **Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

### **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 parent 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.

# REDHALL LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF REDHALL LIMITED

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We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations, relevant to the company, which could give rise to a material misstatement in the financial statements. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and a review of legal expenses. There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

As part of our audit, we addressed the risk of management override of internal controls, including testing of journals and review of nominal ledger. We evaluated whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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.

### 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.

*BHP LLP*

BHP LLP F150925 2021 43 75 GM11-1

**Nigel Bullas (Senior Statutory Auditor)**  
**For and on behalf of BHP LLP**

28 September 2021

**Chartered Accountants**  
**Statutory Auditor**

New Chartford House  
Centurion Way  
Cleckheaton  
Bradford  
West Yorkshire  
BD19 3QB

# REDHALL LIMITED

## GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

|  | Notes    | 2020<br>£        | 2019<br>£        |
|--|----------|------------------|------------------|
| Turnover                               | 3        | 8,503,472        | 8,874,984        |
| Cost of sales                          |          | (6,535,192)      | (6,779,349)      |
| <b>Gross profit</b>                    |          | <b>1,968,280</b> | <b>2,095,635</b> |
| Administrative expenses                |          | (1,591,410)      | (1,852,115)      |
| Other operating income/(expenses)      |          | 502,286          | (2,416)          |
| <b>Operating profit</b>                | <b>4</b> | <b>879,156</b>   | <b>241,104</b>   |
| Interest receivable and similar income | 7        | 75,040           | 59,729           |
| Interest payable and similar expenses  | 8        | (67,155)         | (44,279)         |
| <b>Profit before taxation</b>          |          | <b>887,041</b>   | <b>256,554</b>   |
| Tax on profit                          | 9        | (175,706)        | (56,239)         |
| <b>Profit for the financial year</b>   |          | <b>711,335</b>   | <b>200,315</b>   |

Profit for the financial year is all attributable to the owners of the parent company.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# REDHALL LIMITED

## GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

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|  | 2020<br>£      | 2019<br>£      |
|--|----------------|----------------|
| <b>Profit for the year</b>                     | 711,335        | 200,315        |
| <b>Other comprehensive income</b>              |                |                |
| Tax relating to other comprehensive income     | -              | (12,426)       |
| <b>Total comprehensive income for the year</b> | <u>711,335</u> | <u>187,889</u> |

Total comprehensive income for the year is all attributable to the owners of the parent company.

# REDHALL LIMITED

## GROUP BALANCE SHEET

AS AT 31 DECEMBER 2020

|  | Notes | 2020<br>£          | £ | 2019<br>£          | £ |
|--|-------|--------------------|---|--------------------|---|
| <b>Fixed assets</b>  |       |                    |   |                    |   |
| Tangible assets  | 11    | 12,163,499         |   | 12,189,317         |   |
| Investment properties  | 12    | 1,306,635          |   | 1,416,134          |   |
| Investments  | 13    | 90,000             |   | 90,000             |   |
|  |       | <u>13,560,134</u>  |   | <u>13,695,451</u>  |   |
| <b>Current assets</b>  |       |                    |   |                    |   |
| Stocks   | 16    | 1,004,114          |   | 1,004,172          |   |
| Debtors  | 17    | 4,348,291          |   | 3,781,704          |   |
| Cash at bank and in hand                                       |       | 1,212,868          |   | 480,420            |   |
|  |       | <u>6,565,273</u>   |   | <u>5,266,296</u>   |   |
| <b>Creditors: amounts falling due within one year</b>          | 18    | <u>(2,449,519)</u> |   | <u>(2,001,238)</u> |   |
| <b>Net current assets</b>                                      |       | <u>4,115,754</u>   |   | <u>3,265,058</u>   |   |
| <b>Total assets less current liabilities</b>                   |       | <u>17,675,888</u>  |   | <u>16,960,509</u>  |   |
| <b>Creditors: amounts falling due after more than one year</b> | 19    | (2,142,229)        |   | (2,144,255)        |   |
| <b>Provisions for liabilities</b>                              | 21    | (143,160)          |   | (137,090)          |   |
| <b>Net assets</b>  |       | <u>15,390,499</u>  |   | <u>14,679,164</u>  |   |
| <b>Capital and reserves</b>                                    |       |                    |   |                    |   |
| Called up share capital  | 23    | 5,973              |   | 5,973              |   |
| Revaluation reserve  |       | 1,730,705          |   | 1,730,705          |   |
| Profit and loss reserves                                       |       | 13,653,821         |   | 12,942,486         |   |
| <b>Total equity</b>  |       | <u>15,390,499</u>  |   | <u>14,679,164</u>  |   |

Sep 28, 2021

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

Konrad Czajka  
Konrad Czajka (Sep 28, 2021 15:44 GMT+1)  
.....  
Mr Konrad Czajka  
Director



# REDHALL LIMITED

## COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2020

|                             | Notes | 2020<br>£ | £     | 2019<br>£ | £     |
|-----------------------------|-------|-----------|-------|-----------|-------|
| <b>Fixed assets</b>         |       |           |       |           |       |
| Investments                 | 13    |           | 5,973 |           | 5,973 |
|                             |       |           | ===== |           | ===== |
| <b>Capital and reserves</b> |       |           |       |           |       |
| Called up share capital     | 23    |           | 5,973 |           | 5,973 |
|                             |       |           | ===== |           | ===== |

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £0 (2019 - £0 profit).

The financial statements were approved by the board of directors and authorised for issue on ..... Sep 28, 2021  
and are signed on its behalf by:

Konrad Czajka  
Konrad Czajka Sep 28, 2021, 15:35 GMT+1

Mr Konrad Czajka  
Director

Company Registration No. 002254V

# REDHALL LIMITED

## GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

|  | Share capital | Revaluation reserve | Profit and loss reserves | Total      |
|--|---------------|---------------------|--------------------------|------------|
|  | £             | £                   | £                        | £          |
| <b>Balance at 1 January 2019</b>                   | 5,973         | 1,743,131           | 12,742,171               | 14,491,275 |
| <b>Year ended 31 December 2019:</b>                |               |                     |                          |            |
| Profit for the year                                | -             | -                   | 200,315                  | 200,315    |
| Other comprehensive income:                        |               |                     |                          |            |
| Tax relating to other comprehensive income         | -             | (12,426)            | -                        | (12,426)   |
| Total comprehensive income for the year            | -             | (12,426)            | 200,315                  | 187,889    |
| <b>Balance at 31 December 2019</b>                 | 5,973         | 1,730,705           | 12,942,486               | 14,679,164 |
| <b>Year ended 31 December 2020:</b>                |               |                     |                          |            |
| Profit and total comprehensive income for the year | -             | -                   | 711,335                  | 711,335    |
| <b>Balance at 31 December 2020</b>                 | 5,973         | 1,730,705           | 13,653,821               | 15,390,499 |

# REDHALL LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

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|  | Share<br>capital<br>£ |
|--|-----------------------|
| Balance at 1 January 2019                          | 5,973                 |
| Year ended 31 December 2019:                       |                       |
| Profit and total comprehensive income for the year | -                     |
| Balance at 31 December 2019                        | 5,973                 |
| Year ended 31 December 2020:                       |                       |
| Profit and total comprehensive income for the year | -                     |
| Balance at 31 December 2020                        | 5,973                 |

# REDHALL LIMITED

## GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

|   | Notes | 2020<br>£ | £                | 2019<br>£ | £                |
|---|-------|-----------|------------------|-----------|------------------|
| <b>Cash flows from operating activities</b>                   |       |           |                  |           |                  |
| Cash generated from/(absorbed by) operations                  | 28    |           | 495,438          |           | (193,126)        |
| Interest paid   |       |           | (67,155)         |           | (44,279)         |
| Income taxes refunded/(paid)                                  |       |           | 49,508           |           | (156,966)        |
| <b>Net cash inflow/(outflow) from operating activities</b>    |       |           | <b>477,791</b>   |           | <b>(394,371)</b> |
| <b>Investing activities</b>                                   |       |           |                  |           |                  |
| Purchase of tangible fixed assets                             |       | (21,677)  |                  | (361,893) |                  |
| Purchase of investment property                               |       | (123,117) |                  | (110,201) |                  |
| Proceeds on disposal of investment property                   |       | 366,365   |                  | -         |                  |
| Interest received   |       | 75,040    |                  | 59,729    |                  |
| <b>Net cash generated from/(used in) investing activities</b> |       |           | <b>296,611</b>   |           | <b>(412,365)</b> |
| <b>Financing activities</b>                                   |       |           |                  |           |                  |
| Proceeds of new bank loans                                    |       | -         |                  | 1,530,295 |                  |
| Repayment of bank loans                                       |       | (19,049)  |                  | (133,582) |                  |
| <b>Net cash (used in)/generated from financing activities</b> |       |           | <b>(19,049)</b>  |           | <b>1,396,713</b> |
| <b>Net increase in cash and cash equivalents</b>              |       |           | <b>755,353</b>   |           | <b>589,977</b>   |
| Cash and cash equivalents at beginning of year                |       |           | 292,390          |           | (297,587)        |
| <b>Cash and cash equivalents at end of year</b>               |       |           | <b>1,047,743</b> |           | <b>292,390</b>   |
| <b>Relating to:</b>   |       |           |                  |           |                  |
| Cash at bank and in hand                                      |       |           | 1,212,868        |           | 480,420          |
| Bank overdrafts included in creditors payable within one year |       |           | (165,125)        |           | (188,030)        |

# REDHALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

##### Company information

Redhall Limited ("the company") is a private limited company domiciled and incorporated in Isle of Man. The registered office is First Floor, Jubilee Building, Victoria Street, Douglas, Isle of Man, IM1 2SH.

The group consists of Redhall Limited and all of its subsidiaries.

##### 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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

A entity has taken advantage of the following disclosure exemptions:

- The requirement of Section 33 Related Party Disclosures paragraph 33.7

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £0 (2019 - £0 profit).

##### 1.2 Basis of consolidation

The consolidated financial statements incorporate those of Redhall Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

All financial statements are made up to 31 December 2020. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiary undertakings are included using the acquisitions method of accounting. Under this method the group profit and loss account and statement of cashflows include the results and cashflows of subsidiaries from the date of acquisition and to the date of sale outside the group in the case of disposals of subsidiaries. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

# REDHALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

Under the Isle of Man Companies Act 2006, the company is exempt from the requirement to present its own profit and loss account. Its profit for the financial year was £0 (2019 - £0).

#### 1.3 Going concern

The Directors have considered the impact of Covid-19 on the Company's trade, workforce and supply chain, as well as the wider economy. Whilst it is not considered practical to accurately assess the duration and extent of the disruption, the Directors are confident that they have in place plans to deal with and mitigate any financial losses that may arise. Such plans include, but are not limited to fully utilising the support that has been made available by the government in relation to staff costs and grants provided to the health care sector to assist with purchases of personal protective equipment.

The Directors therefore continue to adopt the going concern basis of preparation for these financial statements.

#### 1.4 Turnover

Turnover represents amounts chargeable in respect of the sale of services to customers and residents, rental income and the sale of shares in properties.

#### 1.5 Intangible fixed assets - goodwill

Goodwill is the difference between the fair value of consideration paid for an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities.

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

If a subsidiary, associate or business is subsequently sold or closed, any goodwill arising on acquisition that was written off directly to reserves or that has not been amortised through the profit and loss account is taken into account in determining the profit or loss on sale or closure.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

# REDHALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 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:

|                                  |                                    |
|----------------------------------|------------------------------------|
| Land and buildings               | nil or straight line over 50 years |
| Leasehold properties             | 10% straight line                  |
| Plant and equipment              | 25% reducing balance               |
| Fixtures, fittings and equipment | 25% reducing balance               |
| Motor vehicles                   | 25% reducing balance               |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

#### 1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

#### 1.8 Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

#### 1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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

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

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

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(Continued)

1.1. Measured at the lower of cost and net realisable value, after due regard for obsolete and slow moving  
1.1. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

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

### 1.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

### 1.12 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors 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 profit or loss, 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.

#### **Impairment of financial assets**

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

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

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



# REDHALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### 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 group 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 group after deducting all of its 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.

#### ***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

### **1.13 Equity instruments**

Equity instruments issued by the group 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 group.

### **1.14 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

# REDHALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

#### **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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **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 if, and only if, there is 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.

#### **1.15 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.16 Retirement benefits**

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

#### **1.17 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.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

# REDHALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### 1.18 Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual installments.

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Grants received in relation to the government Coronavirus Job Retention Scheme (Furlough) have been recognised within other operating income. The grant is accounted for on the accruals basis once the related payroll return has been submitted.

Grants received in relation to purchases of personal protective equipment have been recognised fully in the year.

### 2 Judgements and key sources of estimation uncertainty

In the application of the group'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 Turnover and other revenue

The group's turnover is derived from its principal activity, undertaken in the UK.

### 4 Operating profit

|   | 2020<br>£ | 2019<br>£ |
|---|-----------|-----------|
| Operating profit for the year is stated after charging/(crediting): |           |           |
| Government grants   | (514,269) | (196)     |
| Depreciation of owned tangible fixed assets                         | 47,495    | 72,634    |
| Profit on disposal of tangible fixed assets                         | (133,749) | -         |
| Cost of stocks recognised as an expense                             | 328,844   | 595,073   |
| Operating lease charges   | 193,150   | 193,150   |

# REDHALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 5 Auditor's remuneration

|   | 2020<br>£     | 2019<br>£     |
|---|---------------|---------------|
| Fees payable to the company's auditor and associates: |               |               |
| <b>For audit services</b>                             |               |               |
| Audit of the financial statements of the company      | 3,225         | 3,075         |
| Audit of the company's subsidiaries                   | 24,338        | 19,650        |
|   | <u>27,563</u> | <u>22,725</u> |
| <b>For other services</b>                             |               |               |
| Taxation compliance services                          | <u>2,905</u>  | <u>2,455</u>  |

### 6 Employees

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

|                            | Group<br>2020<br>Number | 2019<br>Number | Company<br>2020<br>Number | 2019<br>Number |
|----------------------------|-------------------------|----------------|---------------------------|----------------|
| Administration and support | 10                      | 11             | -                         | -              |
| Directors                  | 2                       | 2              | -                         | -              |
| Care home employees        | 303                     | 327            | -                         | -              |
| Total                      | <u>315</u>              | <u>340</u>     | <u>-</u>                  | <u>-</u>       |

Their aggregate remuneration comprised:

|                       | Group<br>2020<br>£ | 2019<br>£        | Company<br>2020<br>£ | 2019<br>£ |
|-----------------------|--------------------|------------------|----------------------|-----------|
| Wages and salaries    | 4,732,701          | 4,860,065        | -                    | -         |
| Social security costs | 285,644            | 286,096          | -                    | -         |
| Pension costs         | 75,417             | 72,363           | -                    | -         |
|                       | <u>5,093,762</u>   | <u>5,218,524</u> | <u>-</u>             | <u>-</u>  |

### 7 Interest receivable and similar income

|                        | 2020<br>£     | 2019<br>£     |
|------------------------|---------------|---------------|
| <b>Interest income</b> |               |               |
| Other interest income  | <u>75,040</u> | <u>59,729</u> |

# REDHALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 8 Interest payable and similar expenses

|  | 2020<br>£     | 2019<br>£     |
|--|---------------|---------------|
| <b>Interest on financial liabilities measured at amortised cost:</b> |               |               |
| Interest on bank overdrafts and loans                                | 67,155        | 43,332        |
| <b>Other finance costs:</b>  |               |               |
| Other interest   | -             | 947           |
| Total finance costs  | <u>67,155</u> | <u>44,279</u> |

### 9 Taxation

|  | 2020<br>£      | 2019<br>£     |
|--|----------------|---------------|
| <b>Current tax</b>                                   |                |               |
| UK corporation tax on profits for the current period | 169,641        | 57,400        |
| Adjustments in respect of prior periods              | (5)            | (341)         |
| Total current tax                                    | <u>169,636</u> | <u>57,059</u> |
| <b>Deferred tax</b>                                  |                |               |
| Origination and reversal of timing differences       | <u>6,070</u>   | <u>(820)</u>  |
| Total tax charge                                     | <u>175,706</u> | <u>56,239</u> |

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

|  | 2020<br>£      | 2019<br>£      |
|--|----------------|----------------|
| Profit before taxation   | <u>887,041</u> | <u>256,554</u> |
| Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%) | 168,538        | 48,745         |
| Tax effect of expenses that are not deductible in determining taxable profit                         | 366            | 1,655          |
| Tax effect of income not taxable in determining taxable profit                                       | (28)           | (37)           |
| Adjustments in respect of prior years  | (5)            | -              |
| Under/(over) provided in prior years   | -              | (341)          |
| Deferred tax adjustments in respect of prior years   | 5,074          | 6,170          |
| Change in deferred tax rate  | 182            | -              |
| Other difference   | -              | 47             |
| Deferred tax not recognised  | 2,166          | -              |
| Over provision   | (587)          | -              |
| Taxation charge  | <u>175,706</u> | <u>56,239</u>  |

# REDHALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### 9 Taxation

(Continued)

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

|                          | 2020<br>£         | 2019<br>£         |
|--------------------------|-------------------|-------------------|
| Deferred tax arising on: |                   |                   |
| Revaluation of property  | -                 | 12,426            |
|                          | <u>          </u> | <u>          </u> |

# REDHALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 10 Intangible fixed assets

| Group                                  | Goodwill<br>£ |
|--|---------------|
| <b>Cost</b>                            |               |
| At 1 January 2020 and 31 December 2020 | 628,500       |
| <b>Amortisation and impairment</b>     |               |
| At 1 January 2020 and 31 December 2020 | 628,500       |
| <b>Carrying amount</b>                 |               |
| At 31 December 2020                    | -             |
| At 31 December 2019                    | -             |

The company had no intangible fixed assets at 31 December 2020 or 31 December 2019.

### 11 Tangible fixed assets

| Group                              | Land and<br>buildings<br>£ | Plant and<br>equipment<br>£ | Fixtures,<br>fittings and<br>equipment<br>£ | Motor<br>vehicles<br>£ | Total<br>£ |
|------------------------------------|----------------------------|-----------------------------|---|------------------------|------------|
| <b>Cost or valuation</b>           |                            |                             |   |                        |            |
| At 1 January 2020                  | 12,430,244                 | 1,489,011                   | 402,945                                     | 3,097                  | 14,325,297 |
| Additions                          | 12,287                     | -                           | 9,390                                       | -                      | 21,677     |
| At 31 December 2020                | 12,442,531                 | 1,489,011                   | 412,335                                     | 3,097                  | 14,346,974 |
| <b>Depreciation and impairment</b> |                            |                             |   |                        |            |
| At 1 January 2020                  | 368,394                    | 1,426,610                   | 338,626                                     | 2,350                  | 2,135,980  |
| Depreciation charged in the year   | 13,310                     | 15,601                      | 18,397                                      | 187                    | 47,495     |
| At 31 December 2020                | 381,704                    | 1,442,211                   | 357,023                                     | 2,537                  | 2,183,475  |
| <b>Carrying amount</b>             |                            |                             |   |                        |            |
| At 31 December 2020                | 12,060,827                 | 46,800                      | 55,312                                      | 560                    | 12,163,499 |
| At 31 December 2019                | 12,061,850                 | 62,401                      | 64,319                                      | 747                    | 12,189,317 |

The company had no tangible fixed assets at 31 December 2020 or 31 December 2019.

# REDHALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 11 Tangible fixed assets

(Continued)

The carrying value of land and buildings comprises:

|                | Group<br>2020<br>£ | 2019<br>£         | Company<br>2020<br>£ | 2019<br>£ |
|----------------|--------------------|-------------------|----------------------|-----------|
| Freehold       | 11,898,086         | 11,885,801        | -                    | -         |
| Long leasehold | 17,335             | 24,683            | -                    | -         |
|                | <u>11,915,421</u>  | <u>11,910,484</u> | <u>-</u>             | <u>-</u>  |

One of the freehold properties included in the accounts was valued at £4,300,000 as at 18 September 2015 by qualified professionals working for the company Christie & Co, acting in the capacity of external valuers. The property was valued on a market value based upon its existing use and present condition as a fully equipped operational entity. The valuation was carried out in accordance with the RICS Valuation standards.

The directors consider this valuation to remain current.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

|              | 2020<br>£        | 2019<br>£        |
|--------------|------------------|------------------|
| <b>Group</b> |                  |                  |
| Cost         | <u>2,450,795</u> | <u>2,450,795</u> |

### 12 Investment property

|  | Group<br>2020<br>£ | Company<br>2020<br>£ |
|--|--------------------|----------------------|
| <b>Fair value</b>                      |                    |                      |
| At 1 January 2020 and 31 December 2020 | 1,416,134          | -                    |
| Additions through external acquisition | 123,117            | -                    |
| Disposals                              | (232,616)          | -                    |
|  | <u>1,306,635</u>   | <u>-</u>             |
| At 31 December 2020                    |                    |                      |



# REDHALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 13 Fixed asset investments

|                             | Notes | Group<br>2020<br>£ | 2019<br>£     | Company<br>2020<br>£ | 2019<br>£    |
|-----------------------------|-------|--------------------|---------------|----------------------|--------------|
| Investments in subsidiaries | 14    | -                  | -             | 5,973                | 5,973        |
| Unlisted investments        |       | 90,000             | 90,000        | -                    | -            |
|                             |       | <u>90,000</u>      | <u>90,000</u> | <u>5,973</u>         | <u>5,973</u> |

#### Movements in fixed asset investments Group

##### Cost or valuation

At 1 January 2020 and 31 December 2020 894,300

##### Impairment

At 1 January 2020 and 31 December 2020 804,300

##### Carrying amount

At 31 December 2020 90,000

At 31 December 2019 90,000

#### Movements in fixed asset investments Company

##### Shares in subsidiaries £

##### Cost or valuation

At 1 January 2020 and 31 December 2020 5,973

##### Carrying amount

At 31 December 2020 5,973

At 31 December 2019 5,973

### 14 Subsidiaries

Details of the company's subsidiaries at 31 December 2020 are as follows:

| Name of undertaking           | % Held |          | Class of<br>shareholding |
|-------------------------------|--------|----------|--------------------------|
|                               | Direct | Indirect |                          |
| Brookfield Care Limited       |        | 100.00   | Ordinary shares          |
| Czajka Care Limited           |        | 100.00   | Ordinary shares          |
| Czajka Group Holdings Limited | 100.00 |          | Ordinary shares          |
| Czajka Properties Limited     |        | 100.00   | Ordinary shares          |
| Fairmount Limited             |        | 100.00   | Ordinary shares          |

# REDHALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 15 Financial instruments

|   | Group<br>2020<br>£ | 2019<br>£         | Company<br>2020<br>£ | 2019<br>£         |
|---|--------------------|-------------------|----------------------|-------------------|
| <b>Carrying amount of financial assets</b>          |                    |                   |                      |                   |
| Debt instruments measured at amortised cost         | 4,253,196          | 3,744,080         | -                    | -                 |
| Equity instruments measured at cost less impairment | 90,000             | 90,000            | 5,973                | -                 |
|   | <u>          </u>  | <u>          </u> | <u>          </u>    | <u>          </u> |
| <b>Carrying amount of financial liabilities</b>     |                    |                   |                      |                   |
| Measured at amortised cost                          | 3,661,443          | 3,591,848         | -                    | -                 |
|   | <u>          </u>  | <u>          </u> | <u>          </u>    | <u>          </u> |

### 16 Stocks

|        | Group<br>2020<br>£ | 2019<br>£         | Company<br>2020<br>£ | 2019<br>£         |
|--------|--------------------|-------------------|----------------------|-------------------|
| Stocks | 1,004,114          | 1,004,172         | -                    | -                 |
|        | <u>          </u>  | <u>          </u> | <u>          </u>    | <u>          </u> |

### 17 Debtors

|  | Group<br>2020<br>£ | 2019<br>£         | Company<br>2020<br>£ | 2019<br>£         |
|--|--------------------|-------------------|----------------------|-------------------|
| <b>Amounts falling due within one year:</b>                                    |                    |                   |                      |                   |
| Trade debtors  | 367,421            | 338,266           | -                    | -                 |
| Amounts owed by undertakings in which the company has a participating interest | 1,775              | 1,955             | -                    | -                 |
| Other debtors  | 3,879,467          | 3,373,327         | -                    | -                 |
| Prepayments and accrued income   | 99,628             | 68,156            | -                    | -                 |
|  | <u>          </u>  | <u>          </u> | <u>          </u>    | <u>          </u> |
|  | 4,348,291          | 3,781,704         | -                    | -                 |
|  | <u>          </u>  | <u>          </u> | <u>          </u>    | <u>          </u> |

### 18 Creditors: amounts falling due within one year

|                                     |       | Group<br>2020<br>£ | 2019<br>£         | Company<br>2020<br>£ | 2019<br>£         |
|-------------------------------------|-------|--------------------|-------------------|----------------------|-------------------|
|                                     | Notes |                    |                   |                      |                   |
| Bank loans and overdrafts           | 20    | 272,698            | 312,626           | -                    | -                 |
| Payments received on account        |       | 305,112            | 265,515           | -                    | -                 |
| Trade creditors                     |       | 434,991            | 496,924           | -                    | -                 |
| Amounts due to related undertakings |       | 6,800              | 1,570             | -                    | -                 |
| Corporation tax payable             |       | 276,544            | 57,400            | -                    | -                 |
| Other taxation and social security  |       | 509,816            | 492,152           | -                    | -                 |
| Other creditors                     |       | 319,188            | 241,068           | -                    | -                 |
| Accruals and deferred income        |       | 324,370            | 133,983           | -                    | -                 |
|                                     |       | <u>          </u>  | <u>          </u> | <u>          </u>    | <u>          </u> |
|                                     |       | 2,449,519          | 2,001,238         | -                    | -                 |
|                                     |       | <u>          </u>  | <u>          </u> | <u>          </u>    | <u>          </u> |

# REDHALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

| 19 Creditors: amounts falling due after more than one year |       |                    |           |                      |           |
|--|-------|--------------------|-----------|----------------------|-----------|
|  | Notes | Group<br>2020<br>£ | 2019<br>£ | Company<br>2020<br>£ | 2019<br>£ |
| Bank loans and overdrafts                                  | 20    | 2,142,229          | 2,144,255 | -                    | -         |

Creditors due after one year are to be paid as they fall due.

Amounts included above which fall due after five years are as follows:

|                        |           |           |   |   |
|------------------------|-----------|-----------|---|---|
| Payable by instalments | 1,568,509 | 1,645,871 | - | - |
|------------------------|-----------|-----------|---|---|

| 20 Loans and overdrafts |  |                    |           |                      |           |
|-------------------------|--|--------------------|-----------|----------------------|-----------|
|                         |  | Group<br>2020<br>£ | 2019<br>£ | Company<br>2020<br>£ | 2019<br>£ |
| Bank loans              |  | 2,249,802          | 2,268,851 | -                    | -         |
| Bank overdrafts         |  | 165,125            | 188,030   | -                    | -         |
|                         |  | 2,414,927          | 2,456,881 | -                    | -         |
| Payable within one year |  | 272,698            | 312,626   | -                    | -         |
| Payable after one year  |  | 2,142,229          | 2,144,255 | -                    | -         |

Amounts included above which fall due after five years:

|                        |           |           |   |   |
|------------------------|-----------|-----------|---|---|
| Payable by instalments | 1,568,509 | 1,645,871 | - | - |
|------------------------|-----------|-----------|---|---|

Bank loan and overdrafts are secured by a charge held over the freehold land and buildings, together with across guarantee and debenture with Brookfield Care Limited, Czajka Care Limited, Fairmount Limited and Czajka Group Holdings Limited, dated 6 February 2009.

Interest on Bank loans is charged at LIBOR plus 2.00%, expiring in September 2024.

Interest on Bank overdrafts is charged at standard bank terms.

# REDHALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 21 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

|                                | Liabilities<br>2020<br>£ | Liabilities<br>2019<br>£ |
|--------------------------------|--------------------------|--------------------------|
| <b>Group</b>                   |                          |                          |
| Accelerated capital allowances | 27,033                   | 21,090                   |
| Revaluations                   | 118,620                  | 118,500                  |
| Retirement benefit obligations | (2,493)                  | (2,500)                  |
|                                | <u>143,160</u>           | <u>137,090</u>           |

The company has no deferred tax assets or liabilities.

|                               | Group<br>2020<br>£ | Company<br>2020<br>£ |
|-------------------------------|--------------------|----------------------|
| <b>Movements in the year:</b> |                    |                      |
| Liability at 1 January 2020   | 137,090            | -                    |
| Charge to profit or loss      | 6,070              | -                    |
|                               | <u>143,160</u>     | <u>-</u>             |
| Liability at 31 December 2020 |                    |                      |

The amount of the net reversal of deferred tax expected to occur next year is £6,600, relating to the reversal of existing timing differences on tangible fixed assets.

### 22 Retirement benefit schemes

|   | 2020<br>£     | 2019<br>£     |
|---|---------------|---------------|
| <b>Defined contribution schemes</b>                                 |               |               |
| Charge to profit or loss in respect of defined contribution schemes | <u>75,417</u> | <u>72,363</u> |

Contributions totalling £34,305 (2019 - £33,821) were payable to the scheme at the end of the year and are included in creditors.

# REDHALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 23 Share capital

|   | 2020<br>Number | 2019<br>Number | 2020<br>£ | 2019<br>£ |
|---|----------------|----------------|-----------|-----------|
| <b>Ordinary share capital<br/>Issued and fully paid</b> |                |                |           |           |
| Ordinary shares of £1 each                              | 5,973          | 5,973          | 5,973     | 5,973     |

### 24 Operating lease commitments

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

|                            | Group<br>2020<br>£ | 2019<br>£      | Company<br>2020<br>£ | 2019<br>£ |
|----------------------------|--------------------|----------------|----------------------|-----------|
| Within one year            | 123,750            | 165,000        | -                    | -         |
| Between two and five years | -                  | 123,750        | -                    | -         |
|                            | <u>123,750</u>     | <u>288,750</u> | <u>-</u>             | <u>-</u>  |

### 25 Related party transactions

The company has taken advantage of the requirement of Section 33 Related Party Disclosures paragraph 33.7 from disclosing transactions with wholly owned members of the group.

#### Subsidiary undertakings

The following subsidiary companies have been included within the consolidated statements. All companies are incorporated in England and Wales:

Czajka Group Holdings Limited  
Czajka Properties Limited  
Czajka Care Limited  
Fairmount Limited  
Brookfield Care Limited

### 26 Directors' transactions

Advances or credits have been granted by the group to its directors as follows:

| Description                                   | %<br>Rate | Opening<br>balance<br>£ | Amounts<br>advanced<br>£ | Interest<br>charged<br>£ | Amounts<br>repaid<br>£ | Closing<br>balance<br>£ |
|---|-----------|-------------------------|--------------------------|--------------------------|------------------------|-------------------------|
| Mr Konrad Czajka -<br>Director's loan account | 2.50      | 2,597,620               | 538,377                  | 70,956                   | (317,200)              | 2,889,753               |
|   |           | <u>2,597,620</u>        | <u>538,377</u>           | <u>70,956</u>            | <u>(317,200)</u>       | <u>2,889,753</u>        |

# REDHALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 27 Controlling party

The company is controlled by Mr Konrad Czajka , a director and majority shareholder of the company.

### 28 Cash generated from group operations

|  | 2020<br>£      | 2019<br>£        |
|--|----------------|------------------|
| Profit for the year after tax                        | 711,335        | 200,315          |
| Adjustments for:                                     |                |                  |
| Taxation charged                                     | 175,706        | 56,239           |
| Finance costs  | 67,155         | 44,279           |
| Investment income                                    | (75,040)       | (59,729)         |
| Gain on disposal of tangible fixed assets            | (133,749)      | -                |
| Depreciation and impairment of tangible fixed assets | 47,495         | 72,634           |
| Movements in working capital:                        |                |                  |
| Decrease in stocks                                   | 58             | 222,048          |
| (Increase) in debtors                                | (566,587)      | (302,639)        |
| Increase/(decrease) in creditors                     | 129,213        | (426,077)        |
| Increase/(decrease) in deferred income               | 139,852        | (196)            |
| <b>Cash generated from/(absorbed by) operations</b>  | <b>495,438</b> | <b>(193,126)</b> |

### 29 Analysis of changes in net debt - group

|                                 | 1 January<br>2020<br>£ | Cash flows<br>£ | 31 December<br>2020<br>£ |
|---------------------------------|------------------------|-----------------|--------------------------|
| Cash at bank and in hand        | 480,420                | 732,448         | 1,212,868                |
| Bank overdrafts                 | (188,030)              | 22,905          | (165,125)                |
|                                 | 292,390                | 755,353         | 1,047,743                |
| Borrowings excluding overdrafts | (2,268,851)            | 19,049          | (2,249,802)              |
|                                 | (1,976,461)            | 774,402         | (1,202,059)              |