

Registered number: 03802810

Avom Care Limited

Annual report and financial statements

For the Year Ended 31 March 2020



Avom Care Limited

Company Information

Directors	P A K Jeffery N B Schofield P M Hill
Company secretary	N B Schofield
Registered number	03802810
Registered office	Bradbury House 830 The Crescent Colchester Business Park Colchester Essex CO4 9YQ
Independent auditor	Deloitte LLP Statutory Auditor 1 Station Square Cambridge CB1 2GA
Bankers	Lloyds Banking Group 25 Gresham Street London EC2U 7HN
Solicitors	Charles Russell Speechly LLP 5 Fleet Street London EC4M 7RD

Avom Care Limited

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Avom Care Limited

Directors' report For the Year Ended 31 March 2020

The directors present their Annual report and the financial statements for the year ended 31 March 2020.

Directors' responsibilities statement

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 applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Principal activity

The principal activity of the company in the year under review was that of the provision of care home services, and the directors expect this to continue for the foreseeable future.

Directors

The directors who served during the year and up to the date of this report were:

P A K Jeffery
N B Schofield
P M Hill

Avom Care Limited

Directors' report (continued) For the Year Ended 31 March 2020

Covid-19

The Covid 19 pandemic started in the final months of the financial year ended 31 March 2020 with the first National lockdown coming into effect on 20 March 2020. The pandemic has had an unprecedented financial impact on the Myriad Group ("Group") (of which this company is a subsidiary). Occupancy levels for the Group fell by 18% from pre-pandemic levels to an occupancy low point of 65% in February 2021 and are still in the process of recovering to pre pandemic levels.

The reduction in occupancy levels was as a result of both an increased death rate in the homes during the peaks of the pandemic and a reduction in home admissions for various reasons, including quite naturally a reluctance by family members to place loved ones in care homes throughout the pandemic. There has also been a significant impact on the Group's front-line staff who have shown tremendous dedication and commitment to care during an unprecedented challenge. There has been an increase in absence caused by sickness and the need to self-isolate and significant extra costs for protective equipment and testing.

The Group has received financial support from the Government in the form of the Infection Control Fund, the Job Retention Scheme and additional funding provided by Local Authorities. However, this funding has not fully covered the financial impact of the pandemic on the Group.

Notwithstanding the position set out above, in recent months there are early signs of confidence in the sector following the vaccination programme and the relaxation of rules on home visits. Occupancy has recovered steadily since the low point of February 2021 and whilst the occupancy is still far short of the pre-Covid levels, this is seen as welcome news by the Management and stakeholders.

Most recently in November 2021, a new variant, Omicron, has been detected and whilst its impact on health and the spread of COVID 19 is unknown, it highlights the continuing uncertainty and challenge facing the Elderly Care sector.

Going concern

Further details regarding the adoption of the going concern basis can be found in the accounting policies (note 1.2).

Dividends

The directors do not recommend the payment of a dividend (2019: £nil).

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Auditor

The auditor, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

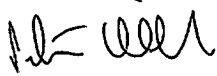
Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Avom Care Limited

Directors' report (continued)
For the Year Ended 31 March 2020

This report was approved by the board on 12 January 2022 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'P M Hill', with a stylized flourish at the end.

P M Hill
Director

Avom Care Limited

Independent auditor's report to the members of Avom Care Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Avom Care Limited ("the company"):

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Avom Care Limited which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1-11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 Financial Reporting Council's (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.

Material uncertainty relating to going concern

We draw attention to note 1.2 in the financial statements, which indicates that in the event of a significant downturn in trading in the next 12 months as a result of Covid-19 or any other cause, the Company would be required to take mitigating steps to maintain the necessary cash reserves. Additionally, the business will continue to engage with key stakeholders to finalise a long term liquidity solution so that the business can continue as a going concern.

As stated in note 1.2, these events or conditions, along with the other matters as set forth in note 1.2 to the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Independent auditor's report to the members of Avom Care Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit for the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Avom Care Limited

Independent auditor's report to the members of Avom Care Limited

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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 any material misstatements in the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and from the requirement to prepare a strategic report

We have nothing to report in respect of these matters.

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.

Matthew Hall

Matthew Hall FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Cambridge
United Kingdom

Date: 14 January 2022

Avom Care Limited

**Statement of comprehensive income
For the Year Ended 31 March 2020**

	Note	2020 £	2019 £
Turnover		1,594,962	2,085,113
Cost of sales		(1,519,697)	(1,717,781)
Gross profit		<u>75,265</u>	<u>367,332</u>
Administrative expenses		(1,246,614)	(833,802)
Other operating income		38	6,637
Operating loss before taxation	2	<u>(1,171,311)</u>	<u>(459,833)</u>
Tax on loss		-	-
Loss for the financial year		<u><u>(1,171,311)</u></u>	<u><u>(459,833)</u></u>

There was no other comprehensive income for 2020 (2019:£NIL).

The notes on pages 10 to 18 form part of these financial statements.

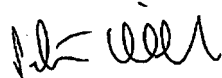
Avom Care Limited
Registered number: 03802810

Statement of financial position
As at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	987,737	580,302
		<u>987,737</u>	<u>580,302</u>
Current assets			
Stocks		3,375	4,030
Debtors: amounts falling due within one year	5	226,120	262,503
Cash at bank and in hand		4,761	193
		<u>234,256</u>	<u>266,726</u>
Creditors: amounts falling due within one year	6	(4,276,363)	(2,730,087)
Net current liabilities		<u>(4,042,107)</u>	<u>(2,463,361)</u>
Total assets less current liabilities		<u>(3,054,370)</u>	<u>(1,883,059)</u>
Net liabilities		<u><u>(3,054,370)</u></u>	<u><u>(1,883,059)</u></u>
Capital and reserves			
Called up share capital	7	1	1
Profit and loss account	7	(3,054,371)	(1,883,060)
Shareholders' deficit		<u><u>(3,054,370)</u></u>	<u><u>(1,883,059)</u></u>

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 12 January 2022.



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P M Hill
 Director

Avom Care Limited

**Statement of changes in equity
For the Year Ended 31 March 2020**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2018	1	(1,423,227)	(1,423,226)
Loss for the year	-	(459,833)	(459,833)
At 1 April 2019	1	(1,883,060)	(1,883,059)
Loss for the year	-	(1,171,311)	(1,171,311)
At 31 March 2020	1	(3,054,371)	(3,054,370)

The notes on pages 10 to 18 form part of these financial statements.

**Notes to the financial statements
For the Year Ended 31 March 2020**

1. Accounting policies

1.1 Basis of preparation of financial statements

Avom Care Limited is a private company limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The address of the registered office is given on the company information page. The nature of the company's operations and its principal activities are set out in the directors' report.

There are no employees employed by the company (2019 - nil).

No directors have received remuneration in respect of their services to the company (2019 - nil). The company does not have any employment contracts with directors.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with the provisions of FRS 102 Section 1A small entities issued by the Financial Reporting Council.

The functional currency of Avom Care Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

Avom Care Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to presentation of a cash flow statement, remuneration of key management personnel, information about employee numbers and costs, and related party transactions.

**Notes to the financial statements
For the Year Ended 31 March 2020**

1. Accounting policies (continued)

1.2 Going concern

The following going concern considerations have been made with respect to all of the subsidiaries that fall within the group headed by Myriad Group Limited, defined in the disclosure below as 'Group'. The directors assessment has been made taking into consideration all subsidiaries within the Group and thus the considerations below are applicable for the overall opinion in respect of the Company for which these financial statements relate to.

In response to the financial impact of the Covid 19 pandemic, the Group prepared forecasts and engaged with all key stakeholders to provide liquidity and ensure the viability of the Group as a going concern.

In the forecasts, occupancy is projected to recover to pre pandemic levels by April 2023 with above average bed growth compared to pre-pandemic trading achievable given the unusually high number of available beds caused by the pandemic. In line with our competitors and based on above normal fee settlements from Local Authorities, fees are also expected to rise above recent norms which will help mitigate the significant rise in cost inflation.

It is worth noting that when admissions were not possible or costs increased as a result of the pandemic, public funds were made available to support the business. As at October 2021 £8.9m of public funds had been received by the Group by way of covid support. No further funding was included in the forecast beyond that date though if there were further lockdowns or restrictions on admissions and increased costs due to continuation of the pandemic it is likely further funds would be made available. As well as funding support from public bodies, the company also has forecast £1m of discretionary capital expenditure which could be reduced if required.

An agreement was finalised in November 2021 involving the Group's landlords. This agreement involved GA HC REIT II U.K. Senior Housing Portfolio Limited, the Group's largest landlord, deferring £13.7m of the rent due in the period from 1 January to 31 August 2021 until 1 April 2023. Other landlords agreed to defer £2.3m of rent due in the first half of 2021 and have agreed to a further two months' rent deferral in October and November 2022 of £1.3m.

The Group held £60m in a bank account secured in favour of GA HC REIT II U.K. Senior Housing Portfolio Limited. As part of the liquidity solution, £14.4m was released from the security deposit to prepay rent to GA HC REIT II U.K. Senior Housing Portfolio Limited for the period from 1 September 2021 to 30 June 2022 with a further £7.6m released from the security deposit to provide working capital to the Group.

GA HC REIT II U.K. Senior Housing Portfolio Limited also agreed to reduce annual rent on 46 of its properties from £30.4m to £17.0m ("the Reduced Rent") for the period from 1 September 2021 to 30 June 2022. In addition £5.0m of development interest was settled with funds from the security deposit.

For the period from 1 July 2022 to 31 March 2023, rent will revert to full rent, but with the amount to be paid by the Group to be the Reduced Rent. The difference between the Reduced Rent and the full rent will be deferred until 1 April 2023.

Following this agreement, the deposit held by the Group as security for the majority landlord is £33m with the amount owed to the majority landlord deferred to 1 April 2023 circa £27m.

During the pandemic, the Group benefitted from agreeing deferrals of PAYE and National Insurance liabilities with HMRC. The Group has subsequently agreed a 24 month Time to Pay Arrangement with HMRC to repay the outstanding liability of £17.4m by September 2023. All payments have been made in line with the payment plan to date.

**Notes to the financial statements
For the Year Ended 31 March 2020**

1. Accounting policies (continued)

1.2 Going concern (continued)

In the view of the Directors, the funds generated from this agreement have provided the Group with sufficient liquidity to continue to operate as a going concern. The group continues in negotiation to arrange a longer term liquidity arrangement for April 2023 onwards, but as at the date of the financial statements this has not yet been finalised.

In the event of a significant downturn in trading in the next 12 months as a result of Covid-19 or any other cause, the Company would be required to take mitigating steps to maintain the necessary cash reserves. Additionally, the business will continue to engage with key stakeholders to finalise a long term liquidity solution so that the business can continue as a going concern. Therefore a material uncertainty exists which may cast significant doubt on the Company's ability to operate as a going concern and therefore the Company may be unable to realise its assets and discharge its liabilities in the normal course of business.

1.3 Turnover

Turnover represents sales and services to third party customers in the health and social care sector, stated net of any applicable value added tax. Turnover is recognised when the services are provided with any fees invoiced in advance included within deferred income until the service is completed.

All turnover is attributable to the UK and to the Company's principal activity.

1.4 Operating leases: the Company as lessee

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

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

1.5 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

**Notes to the financial statements
For the Year Ended 31 March 2020**

1. Accounting policies (continued)

1.6 Taxation

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

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

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

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

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

1.7 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as per the table below.

Long Term Leasehold Property	- Over the period of the lease
Plant & machinery	- 20% per annum, reducing balance

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

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

**Notes to the financial statements
For the Year Ended 31 March 2020**

1. Accounting policies (continued)

1.8 Stocks

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

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

1.9 Debtors

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

1.10 Cash and cash equivalents

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

1.11 Creditors

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

1.12 Financial instruments

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

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

2. Operating loss

The operating loss is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets	92,117	90,815
Other operating lease rentals	816,210	445,114
	<u> </u>	<u> </u>

Avom Care Limited

Notes to the financial statements For the Year Ended 31 March 2020

3. Auditor's remuneration

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

Auditor's remuneration of £9,650 has been borne by Caring Homes Healthcare Group Limited.

4. Tangible fixed assets

	Long term Leasehold Property £	Plant & machinery £	Total £
Cost			
At 1 April 2019	734,794	824,753	1,559,547
Additions	474,888	24,664	499,552
At 31 March 2020	1,209,682	849,417	2,059,099
Depreciation			
At 1 April 2019	369,006	610,239	979,245
Charge for the year on owned assets	44,348	47,769	92,117
At 31 March 2020	413,354	658,008	1,071,362
Net book value			
At 31 March 2020	796,328	191,409	987,737
At 31 March 2019	365,788	214,514	580,302

Avom Care Limited

Notes to the financial statements For the Year Ended 31 March 2020

5. Debtors

	2020 £	2019 £
Trade debtors	14,408	79,973
Amounts owed by associates	110,054	168,392
Other debtors	999	1,004
Prepayments and accrued income	100,659	13,134
	<u>226,120</u>	<u>262,503</u>

Amounts owed by associates are repayable on demand and accrue no interest.

Included within prepayments and accrued income at 31 March 2020 is £37,218 relating to prepayments (2019: £13,134) and £63,441 relating to accrued income (2019: £nil).

6. Creditors: Amounts falling due within one year

	2020 £	2019 £
Amounts owed to group undertakings	3,298,174	2,635,097
Amounts owed to associates	219,099	-
Other creditors	536,049	59,381
Accruals and deferred income	223,041	35,609
	<u>4,276,363</u>	<u>2,730,087</u>

Amounts owed to group undertakings are not secured against any assets. No interest is payable and the full amount is repayable on demand. Amounts owed to associates are repayable on demand and accrue no interest.

Included within accruals and deferred income at 31 March 2020 is £14,495 relating to accruals (2019: £6,369) and £208,546 relating to deferred income (2019: £29,240).

Avom Care Limited

Notes to the financial statements For the Year Ended 31 March 2020

7. Share capital and reserves

	2020 £	2019 £
Allotted, called up and fully paid		
1 (2019 - 1) Ordinary share of £1.00	1	1

The entity is a private company and is limited by shares.

The Company's other reserve comprises the Profit and loss reserve which represents cumulative profits or losses (net of dividends paid and other adjustments).

8. Commitments under operating leases

At 31 March 2020 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Within 1 year	1,033,584	297,230
Between 1 year and 5 years	4,134,337	1,188,920
After 5 years	23,429,713	1,931,996
	<u>28,597,634</u>	<u>3,418,146</u>

9. Related party transactions

As a wholly owned subsidiary of Myriad Healthcare Holdings Limited at 31 March 2020, the company is exempt from the requirements to disclose transactions with other members of the Group on the grounds that consolidated accounts are publicly available from Companies House.

10. Post balance sheet events

Subsequent to the balance sheet date, the Covid 19 pandemic has continued, the impact of which is included in the Covid 19 section of the Directors' Report.

As at 31 March 2020, the Myriad Healthcare Holdings Limited group consisted of two divisions, the Elderly care division providing Elderly care, and the Consensus division, providing support to people with learning difficulties, autism and complex needs. On 3 April 2020, the two divisions were separated by way of a demerger of the Elderly care division out of Myriad Healthcare Holdings Limited ("MHHL"). As part of this demerger, two new companies were incorporated, Consensus Group Holdings Limited, the new parent of MHHL, and Myriad Group Limited, the new parent of the Elderly division subsidiaries. The demerger of the two divisions has allowed each division to focus on its own operations and strategic development.

Avom Care Limited

Notes to the financial statements For the Year Ended 31 March 2020

11. Controlling party

The company's immediate parent company is Caring Homes Healthcare Limited, by virtue of its 100% shareholding and its ultimate parent company Myriad Group Limited at which is registered in England and Wales.

The ultimate controlling party is P A K Jeffery, a director of the company and of the ultimate parent company.

The largest and smallest group of undertakings for which consolidated accounts will be drawn up at 31 March 2020 is that headed by Myriad Healthcare Holdings Limited. The registered address of Myriad Healthcare Holdings Limited is 654 The Crescent, Colchester Business Park, Colchester, Essex, CO4 9YQ. Copies of these financial statements may be requested from The Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.