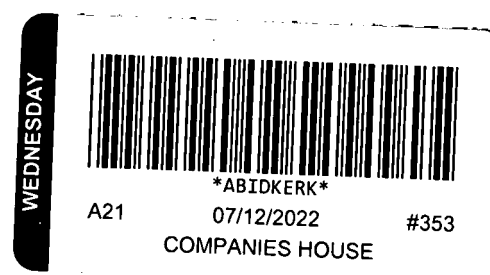


Registration number: 05232834

**PREPARED FOR THE REGISTRAR
HEATHCOTES CARE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

AMENDED ACCOUNTS

Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT



HEATHCOTES CARE LIMITED

- These accounts replace the original accounts
- These accounts are now the statutory accounts for the year ended 31 March 2021
- These accounts have been prepared as at the date of the original accounts

HEATHCOTES CARE LIMITED

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HEATHCOTES CARE LIMITED

COMPANY INFORMATION

Directors	T M Davies B T Kelly A J Limb
Registered office	37 Station Road Chesterfield Derbyshire S41 7BF
Accountants	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

HEATHCOTES CARE LIMITED

(REGISTRATION NUMBER: 05232834)
BALANCE SHEET AS AT 31 MARCH 2021

	Note	2021 £ 000	2020 £ 000
Fixed assets			
Intangible assets	4	-	-
Tangible assets	5	<u>1,001</u>	<u>922</u>
		<u>1,001</u>	<u>922</u>
Current assets			
Stocks	6	11	11
Debtors	7	1,552	1,135
Cash at bank and in hand		<u>311</u>	<u>317</u>
		1,874	1,463
Creditors: Amounts falling due within one year	8	<u>(2,342)</u>	<u>(847)</u>
Net current (liabilities)/assets		<u>(467)</u>	<u>616</u>
Total assets less current liabilities		534	1,538
Deferred tax liabilities		<u>(30)</u>	<u>(30)</u>
Net assets		<u>504</u>	<u>1,508</u>
Capital and reserves			
Called up share capital		-	-
Profit and loss account		<u>504</u>	<u>1,508</u>
Total equity		<u>504</u>	<u>1,508</u>

For the financial year ending 31 March 2021 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 23 November 2021 and signed on its behalf by:

Tim Davies
T M Davies
Director

The notes on pages 3 to 8 form an integral part of these financial statements.

HEATHCOTES CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:
37 Station Road
Chesterfield
Derbyshire
S41 7BF

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Name of parent of group

The parent of the smallest group in which these financial statements are consolidated is Envivo Robin Bidco Limited. The parent of the largest group in which these financial statements are consolidated is TLC Care Holdings Limited.

The financial statements of both companies are available from Companies House.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Judgements and estimation uncertainty

These financial statements do not contain any significant judgements or estimation uncertainty.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

HEATHCOTES CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current 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 taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold improvements	Over the term of the lease
Fixtures, fittings and equipment	Straight line over 5 years
Motor vehicles	25% reducing balance

Intangible assets

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Negative goodwill arising on an acquisition is recognised on the face of the balance sheet on the acquisition date and subsequently the excess up to the fair value of non-monetary assets acquired is recognised in profit or loss in the periods in which the non-monetary assets are recovered.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

HEATHCOTES CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

HEATHCOTES CARE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021****Financial instruments (continued)****Impairment**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

3 Staff numbers

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

	2021	2020
	No.	No.
Average number of employees	<u>290</u>	<u>291</u>

4 Intangible assets

	Goodwill
	£ 000
Cost	
At 1 April 2020 and at 31 March 2021	<u>2,476</u>
Amortisation	
At 1 April 2020 and at 31 March 2021	<u>2,476</u>
Carrying amount	
At 31 March 2020 and at 31 March 2021	<u>-</u>

HEATHCOTES CARE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021****5 Tangible assets**

	Leasehold improvements £ 000	Fixtures, fittings and equipment £ 000	Motor vehicles £ 000	Total £ 000
Cost				
At 1 April 2020	493	1,398	146	2,037
Additions	9	270	12	291
Disposals	-	-	(28)	(28)
At 31 March 2021	<u>502</u>	<u>1,668</u>	<u>131</u>	<u>2,300</u>
Depreciation				
At 1 April 2020	39	984	92	1,115
Charge for the year	-	190	15	205
Eliminated on disposal	-	-	(20)	(20)
At 31 March 2021	<u>39</u>	<u>1,174</u>	<u>86</u>	<u>1,299</u>
Carrying amount				
At 31 March 2021	<u>463</u>	<u>494</u>	<u>45</u>	<u>1,001</u>
At 31 March 2020	<u>453</u>	<u>414</u>	<u>54</u>	<u>922</u>

6 Stocks

	2021 £ 000	2020 £ 000
Consumables	<u>11</u>	<u>11</u>

7 Debtors

	2021 £ 000	2020 £ 000
Trade debtors	298	509
Amounts owed by group undertakings	1,152	-
Other debtors	-	517
Prepayments	<u>102</u>	<u>109</u>
	<u>1,552</u>	<u>1,135</u>

HEATHCOTES CARE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021****8 Creditors**

	2021	2020
	£ 000	£ 000
Due within one year		
Trade creditors	327	177
Amounts due to group undertakings	255	-
Social security and other taxes	156	105
Outstanding defined contribution pension costs	23	-
Other creditors	85	197
Accrued expenses	1,493	369
Corporation tax liability	4	
	<u>2,342</u>	<u>847</u>

9 Financial commitments, guarantees and contingencies**Amounts not provided for in the balance sheet**

The total amount of guarantees not included in the balance sheet is £15,333,332 (2020 - £70,000,000). The company is bound by an intra-group cross guarantee in respect of bank debt with other members of the group headed by its immediate parent company Envivo Robin Bidco Limited.

10 Obligations under leases and hire purchase contracts**Operating leases**

The total of future minimum lease payments is as follows:

	2021	2020
	£ 000	£ 000
Not later than one year	854	-
Later than one year and not later than five years	3,417	-
Later than five years	1,495	-
	<u>5,766</u>	<u>-</u>

11 Parent and ultimate parent undertaking

Prior to 12 November 2020, the company's immediate parent was Longshaw Developments Limited, incorporated in England and Wales and the ultimate parent was Heathcotes Group Limited

Since 12 November 2020, the company's immediate parent company is Envivo Robin Bidco Limited, incorporated in England and Wales.

The ultimate parent company is Specialist Healthcare Operations Limited, incorporated in the Isle of Man.

There is considered to be no single ultimate controlling party.

12 Disclosure under Section 444(5B) CA 2006

As permitted by Section 444 CA 2006, these accounts do not contain a copy of the company's Profit and Loss account or a copy of the Directors' Report. These accounts are unaudited.