

Amore (Ben Madigan) Limited
Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2021
Registration number: 6715859

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Amore (Ben Madigan) Limited

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Amore (Ben Madigan) Limited

Company Information

Directors	David Hall
	Jim Lee
Company secretary	David Hall
Registered office	Fifth Floor
	80 Hammersmith Road
	London
	W14 8UD

Amore (Ben Madigan) Limited

Strategic Report for the Year Ended 31 December 2021

The directors present their strategic report for the year ended 31 December 2021.

Fair review of the business

The results for the year are set out in the profit and loss account on page 6 and the position of the company as at the year end is set out in the balance sheet on page 8.

The company is focussed on the social care sector and the performance of the company can be impacted by external factors. The principal factors are changes in the UK government's policy towards outsourcing of care, changes in the regulatory regime and competitive threats from other independent providers. Management uses a range of financial and non-financial indicators to manage the business. These are derived from all areas of the business and include sales growth by unit, occupancy and profit margins achieved.

The company's management is satisfied with the performance for the year, and is committed to a continued growth strategy.

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business. The development, performance and position of Priory Group UK 1 Limited, an intermediate parent of the company, is discussed in the group's financial statements which includes the company and does not form part of this report.

Principal risks and uncertainties

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately. Accordingly, the principle risks and uncertainties of Priory Group UK 1 Limited, which include those of the company, are discussed in the group's financial statements which do not form part of this report.

Statement on Section 172(1)

The following Section 172 statement, which is required by the Companies Act 2006, describes how the directors have had regard to the matters set out in Section 172(1a to 1f) including key decisions and matters that are of strategic importance to the company. The directors, in line with their duties under Section 172 of the Companies Act 2006, act in a way they consider, in good faith would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard to a range of matters when making decisions for the long term.

From the perspective of the company, decisions and policies relating to Section 172(1) are determined at group level and applied to the company, where relevant, by the directors. Accordingly, further details in relation to how the directors have engaged with suppliers, customers, employees and other stakeholders are included in the financial statements of Priory Group UK 1 Limited, an intermediate parent of the company, which includes the company and does not form part of this report.

Approved by the Board on 31 August 2022 and signed on its behalf by:

David Hall

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David Hall
Company secretary and director

Amore (Ben Madigan) Limited

Directors' Report for the Year Ended 31 December 2021

The directors present their report and the unaudited financial statements for the year ended 31 December 2021.

This report should be read in conjunction with the strategic report on page 2. The company has chosen in accordance with Section 414C(ii) of the Companies Act 2006 to set out in the strategic report the following which the directors believe to be of strategic importance:

- Business review;
- Principal risks and uncertainties; and
- Statements in relation to how directors have engaged with employees, suppliers, customers and others in a business relationship with the company.

Principal activity

The principal activity of the company is the management of a facility providing residential and nursing care for elderly people.

Directors' of the company

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

David Hall - Company secretary and director (appointed 12 July 2021)

Trevor Torrington (resigned 12 July 2021)

Ryan Jervis (resigned 12 July 2021)

Jim Lee (appointed 12 July 2021)

Dividends

The directors do not recommend the payment of a final dividend (2020: £nil). No dividends were paid during the year (2020: £nil).

Financial instruments

The company's operations mean that it is exposed to a variety of financial risks that include the effects of changes in credit risk, liquidity risk and interest rate risk. The directors monitor the risks in order to limit the adverse effects on the financial performance by reviewing levels of debt finance and the related finance costs, however these are integrated with the risks of the group and not managed separately. Accordingly, the financial risk management policies of Priory Group UK 1 Limited, which include those of the company, are discussed in the group's financial statements which do not form part of this report.

Amore (Ben Madigan) Limited

Directors' Report for the Year Ended 31 December 2021 (continued)

Employee involvement

The directors recognise that the continued position of the company in this sector depends on the quality and motivation of its employees and as such the company is committed to pursue employment policies which will continue to attract, retain and motivate its employees.

Good and effective employee communications are particularly important and throughout the business it is the directors' policy to promote the understanding by employees of the company's business aims, performance and individual opportunities for personal and career development. This is achieved through internal publications, presentations on performance and a variety of other approaches appropriate for a particular location. Employees are consulted on issues through the "Your Say" forum. Employees have a personal development plan that is monitored, assessed and modified during the annual appraisal process.

The directors monitor the results of staff surveys, both regular and ad hoc, together with employee forums, to enable them to discuss human resourcing matters with the interests of the workforce at heart. Annual salary reviews are undertaken with reference to the importance of employee retention, changes in the National Living Wage, and commercial factors. The directors are committed to communicating the results of any wage reviews in a transparent manner.

Employment of disabled persons

The directors believe that it is important to recruit and retain capable and caring staff regardless of their sex, marital status, race or religion. It is the company's policy to give full and fair consideration to applications for employment from people who are disabled, to continue wherever possible the employment of and to arranged appropriate training for, employees who become disabled and to provide equal opportunities for the career development, training and promotion of disabled employees.

Future developments

The future developments of the company are aligned to the strategy of the UK group, headed by Priory Group UK 1 Limited. The group's strategy for the future development of the business is included in the group's financial statements, which do not form part of this report.

Going concern

The intermediate parent company, Priory Group UK 1 Limited, has confirmed that it will continue to provide financial support to the company for the foreseeable future and for at least twelve months from the date of approval of these financial statements. Accordingly the financial statements have been prepared on the going concern basis.

Approved by the Board on 31 August 2022 and signed on its behalf by:

David Hall

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David Hall
Company secretary and director

Amore (Ben Madigan) Limited

Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 has been followed, subject to any material departures disclosed and explained in the financial statements; 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.

Amore (Ben Madigan) Limited

Profit and Loss Account for the Year Ended 31 December 2021

	Note	2021 £ 000	2020 £ 000
Turnover	4	2,265	2,814
Cost of sales		<u>(2,256)</u>	<u>(2,568)</u>
Gross profit		9	246
Administrative expenses		<u>(39)</u>	<u>(84)</u>
Operating (loss)/profit	5	<u>(30)</u>	<u>162</u>
(Loss)/profit before tax		(30)	162
Tax on (loss)/profit on ordinary activities	8	<u>(42)</u>	<u>(40)</u>
(Loss)/profit for the year		<u><u>(72)</u></u>	<u><u>122</u></u>

The above results were derived from continuing operations.

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

Amore (Ben Madigan) Limited

Statement of Comprehensive Income for the Year Ended 31 December 2021

	Note	2021 £ 000	2020 £ 000
(Loss)/profit for the year		<u>(72)</u>	<u>122</u>
Total comprehensive income for the year		<u><u>(72)</u></u>	<u><u>122</u></u>

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

Amore (Ben Madigan) Limited

(Registration number: 6715859)

Balance Sheet as at 31 December 2021

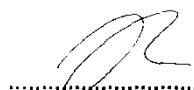
	Note	2021 £ 000	2020 £ 000
Fixed assets			
Tangible assets	9	3,736	3,815
Current assets			
Debtors	10	116	45
Cash at bank and in hand		<u>1</u>	<u>2</u>
		117	47
Creditors: Amounts falling due within one year	11	<u>(1,472)</u>	<u>(1,469)</u>
Net current liabilities		<u>(1,355)</u>	<u>(1,422)</u>
Total assets less current liabilities		2,381	2,393
Provisions for liabilities	8	<u>(206)</u>	<u>(146)</u>
Net assets		<u>2,175</u>	<u>2,247</u>
Capital and reserves			
Called up share capital	12	-	-
Profit and loss account		<u>2,175</u>	<u>2,247</u>
Shareholders' funds		<u>2,175</u>	<u>2,247</u>

For the financial year ending 31 December 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.

Approved by the Board on 31 August 2022 and signed on its behalf by:



Jim Lee
Director

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

Amore (Ben Madigan) Limited

Statement of Changes in Equity for the Year Ended 31 December 2021

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2021	-	2,247	2,247
Loss for the year	-	(72)	(72)
Total comprehensive income	-	(72)	(72)
At 31 December 2021	-	2,175	2,175

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2020	-	2,125	2,125
Profit for the year	-	122	122
Total comprehensive income	-	122	122
At 31 December 2020	-	2,247	2,247

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

Amore (Ben Madigan) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

1 General information

The company is a private company limited by share capital incorporated and domiciled in United Kingdom.

The address of its registered office is:

Fifth Floor
80 Hammersmith Road
London
W14 8UD
United Kingdom

These financial statements were authorised for issue by the Board on 31 August 2022.

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.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

The financial statements are presented in sterling, rounded to the nearest thousand.

Summary of disclosure exemptions

FRS 101 sets out a reduced disclosure framework for a "qualifying entity" as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of IFRS.

The Company is a qualifying entity for the purposes of FRS 101. Note 13 gives details of the Company's ultimate parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

The principle disclosure exemptions adopted by the Company in accordance with FRS 101 are as follows:

- Statement of cash flows;
- IFRS 7 financial instrument disclosures;
- IAS 1 information on management of capital;
- IAS 8 disclosures in respect of new standards and interpretations that have been issued but which are not yet effective;
- IAS 24 disclosure of key management personnel compensation;
- IAS 24 disclosures in respect of related party transactions entered into between fellow group companies (the company had no other related party transactions); and
- Roll-forward reconciliations in respect of share capital (IAS 1) and property, plant and equipment (IAS 16).

Amore (Ben Madigan) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

2 Accounting policies (continued)

Going concern

The intermediate parent company, Priory Group UK 1 Limited, has confirmed that it will continue to provide financial support to the company for the foreseeable future and for at least twelve months from the date of approval of these financial statements. Accordingly the financial statements have been prepared on the going concern basis.

Changes in accounting policy

None of the standards, interpretations and amendments effective for the first time from 1 January 2021 have had a material effect on the financial statements.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Revenue 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 activities.

Tax

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

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 taxable income.

Deferred income 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 income 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.

Payment is generally made for group relief at the current tax rate at the time of first estimating the tax provision. To the extent that amendments are subsequently made to the group relief plan, there is generally no payment or receipt in respect of the change.

Tangible assets

Property, plant and equipment is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Amore (Ben Madigan) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

2 Accounting policies (continued)

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold buildings	over 50 years
Short leasehold land and buildings	over the lease term
Fixture and fittings	over 3 to 16 years
Motor vehicles	over shorter of the lease term and 4 years

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 changes in value.

Trade debtors

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables 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 receivables.

Trade creditors

Trade payables 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 payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Impairment of non-financial assets

Property, plant and equipment is tested for impairment by management when a trigger event that might affect asset values has occurred. An impairment loss is recognised in the profit and loss account to the extent that the carrying amount cannot be recovered either by selling the asset or by the discounted future earnings from an income-generating unit, which is an individual business operational unit.

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.

Amore (Ben Madigan) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

2 Accounting policies (continued)

Defined contribution pension obligation

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

For defined contribution plans contributions are paid publicly or privately administered pension insurance plans on a mandatory or contractual basis. The contributions are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as an asset.

3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period then ended. Management bases its estimates on historical experience and various other assumptions that are considered to be reasonable in the particular circumstances. Actual results may differ from these estimates.

Estimates are used in accounting for allowances for uncollected receivables, depreciation, taxes and contingencies. Estimates and assumptions are reviewed periodically and the effects of the revision are reflected in the financial statements in the period that an adjustment is determined to be required.

Significant accounting judgements have been applied with respect to the valuation of deferred tax assets. Deferred tax assets and liabilities require management judgement in determining the amounts to be recognised. In particular, judgement is used when assessing the extent to which deferred tax assets should be recognised with consideration given to the timing and level of future taxable income.

4 Turnover

The analysis of the company's turnover for the year from continuing operations is as follows:

	2021 £ 000	2020 £ 000
Rendering of services	2,265	2,814

All turnover and profit on ordinary activities before taxation arose within the United Kingdom and from one class of business.

Amore (Ben Madigan) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

5 Operating profit

Arrived at after charging/(crediting)

	2021	2020
	£ 000	£ 000
Depreciation of tangible assets	<u>116</u>	<u>115</u>

6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2021	2020
	£ 000	£ 000
Wages and salaries	1,083	1,245
Social security costs	79	86
Pension costs, defined contribution scheme	<u>13</u>	<u>16</u>
	<u>1,175</u>	<u>1,347</u>

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

	2021	2020
	No.	No.
Administration and support	13	14
Other departments	<u>54</u>	<u>66</u>
	<u>67</u>	<u>80</u>

7 Directors' remuneration

The costs relating to the directors' services have been borne by Priory Central Services Limited, a fellow group company. No amounts (2020: £nil) have been recharged to the company in respect of the directors' services and the directors do not believe that it is practical to allocate these costs between group companies.

Amore (Ben Madigan) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

8 Income tax

Tax charged/(credited) in the profit and loss account

	2021 £ 000	2020 £ 000
Current taxation		
UK corporation tax	(18)	14
Deferred taxation		
Arising from origination and reversal of temporary differences	60	26
Tax expense in the profit and loss account	42	40

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2020 - higher than the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	2021 £ 000	2020 £ 000
(Loss)/profit before tax	(30)	162
Corporation tax at standard rate	(6)	31
Increase (decrease) from effect of expenses not deductible in determining taxable profit (tax loss)	11	12
Increase (decrease) from transfer pricing adjustments	(12)	(17)
Deferred tax expense (credit) relating to changes in tax rates or laws	49	14
Total tax charge	42	40

The company's profits for this accounting year are taxed at an effective rate of 19% (2019: 19%).

Deferred tax

Deferred tax assets and liabilities

2021	Liability £ 000
Accelerated tax depreciation	(206)
2020	Liability £ 000
Accelerated tax depreciation	(146)

Amore (Ben Madigan) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

8 Income tax (continued)

Deferred tax movement during the year:

	At 1 January 2021 £ 000	Recognised in income £ 000	At 31 December 2021 £ 000
Accelerated tax depreciation	(146)	(60)	(206)

Deferred tax movement during the prior year:

	At 1 January 2020 £ 000	Recognised in income £ 000	At 31 December 2020 £ 000
Accelerated tax depreciation	(120)	(26)	(146)

9 Tangible assets

	Land and buildings £ 000	Furniture, fittings and equipment £ 000	Motor vehicles £ 000	Properties under construction £ 000	Total £ 000
Cost or valuation					
At 1 January 2021	4,279	369	38	5	4,691
Additions	-	40	-	-	40
Disposals	-	(21)	(34)	(3)	(58)
At 31 December 2021	4,279	388	4	2	4,673
Depreciation					
At 1 January 2021	674	164	38	-	876
Charge for the year	68	48	-	-	116
Eliminated on disposal	-	(21)	(34)	-	(55)
At 31 December 2021	742	191	4	-	937
Carrying amount					
At 31 December 2021	3,537	197	-	2	3,736
At 31 December 2020	3,605	205	-	5	3,815

Amore (Ben Madigan) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

10 Trade and other debtors

	2021 £ 000	2020 £ 000
Trade debtors	24	14
Provision for impairment of trade debtors	(1)	(1)
Net trade debtors	23	13
Income tax asset	18	-
Accrued income	68	31
Prepayments	7	1
Total current trade and other debtors	116	45

11 Creditors: amounts falling due within one year

	2021 £ 000	2020 £ 000
Accrued expenses	144	167
Deferred income	28	-
Amounts due to group undertakings	1,106	1,222
Social security and other taxes	162	53
Outstanding defined contribution pension costs	3	3
Other creditors	29	10
Income tax liability	-	14
	1,472	1,469

Amounts due to group undertakings are unsecured, non-interest bearing and repayable on demand.

12 Share capital

Allotted, called up and fully paid shares

	No.	2021 £	No.	2020 £
Ordinary shares of £1 each	1	1	1	1

Amore (Ben Madigan) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

13 Parent and ultimate parent undertaking

The company's immediate parent is Amore Elderly Care Holdings Limited.

The ultimate parent is Rehab and Mental Healthcare Group B.V..

The parent of the largest group in which these financial statements are consolidated is Median B.V., incorporated in the Netherlands. The address of Median B.V. is Basisweg 10, 1043 AP, Amsterdam, the Netherlands.

The parent of the smallest group in which these financial statements are consolidated is Priory Group UK 1 Limited incorporated in the United Kingdom. The address of Priory Group UK 1 Limited is Fifth Floor, 80 Hammersmith Road, London, W14 8UD, United Kingdom.

The ultimate controlling party is considered to be Waterland Private Equity by virtue of the company's ultimate parent company being majority owned by funds under the ownership and control of Waterland Private Equity.