

REGISTERED NUMBER: 07238291 (England and Wales)

OAKHURST COURT HOLDINGS LIMITED

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2019**

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FOR THE YEAR ENDED 30 APRIL 2019**

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OAKHURST COURT HOLDINGS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 2019**

DIRECTORS:

Mr W J Davies
Mrs P L Jackson

REGISTERED OFFICE:

Woodlands of Woolley Residential Home
Woolley Low Moor Lane
Woolley
Wakefield
WF4 2LN

REGISTERED NUMBER:

07238291 (England and Wales)

AUDITORS:

Cox Costello & Horne
Chartered Accountants and Statutory Auditors
Fourth & Fifth Floor
14-15 Lower Grosvenor Place
London
SW1W 0EX

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 APRIL 2019**

The directors present their strategic report of the company and the group for the year ended 30 April 2019.

REVIEW OF BUSINESS

Occupancy generally across the owned homes has continued to improve.

It is still evident that funding for care is restricted despite continuing bed blocking in hospitals. The cost to the tax payer of care in hospitals is significantly higher and this problem needs to be overcome by the Department of Health/Government.

The regulatory burden increases our costs and takes considerable management time. I would like to thank Mrs Jackson and her team for all their hard work particularly in seeking full compliance with all Regulators.

During the year the holding company developed a lending business for its surplus funds which have enabled the group to make a healthy margin on its shareholder funds.

PRINCIPAL RISKS AND UNCERTAINTIES

The principle risks and uncertainties of the business are as follows:

- The uncertainties in respect of the decisions of the Care Quality Commission.
- Exposure to new legislation and regulatory requirements
- The recruitment and retention of a skilled workforce
- The potential withdrawal of local authority approval/funding

The directors consider the following key performance indicators of the business to be the most important and monitor them on a regular basis.

- Occupancy rates
- Gross Margin
- Wage costs per bed
- Debtor turn
- Cash balances

GOING CONCERN

The Company and Group are expected to continue to generate positive cash flows for the foreseeable future and for not less than 12 months from the date of this report. On the basis of their assessment of the Group's financial position, the directors have a reasonable expectation that the Group will be able to continue in operational existence for the foreseeable future which is not less than 12 months from the date of approving these financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

ON BEHALF OF THE BOARD:

Mr W J Davies - Director

30 January 2020

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 APRIL 2019**

The directors present their report with the financial statements of the company and the group for the year ended 30 April 2019.

DIVIDENDS

The total distribution of dividends for the year ended 30 April 2019 will be £Nil (2018: £250,000).

DIRECTORS

The directors shown below have held office during the whole of the period from 1 May 2018 to the date of this report.

Mr W J Davies
Mrs P L Jackson

FINANCIAL INSTRUMENTS

The risk management objectives and policies of the group and the exposure of the group to price risk, credit risk, liquidity risk and cash flow risk are contained in the notes to the consolidated financial statements.

EMPLOYEES

The group operates non-discriminatory employment policies which are designed to attract, retain and motivate the very best people, recognising that this can only be achieved through offering equal opportunities regardless of age, disability, gender, race, religion, colour, nationality, marital status and sexual orientation.

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned.

In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the group continues and that appropriate facilities are available and training is arranged. It is the policy of the group that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

Staff are encouraged to plan their careers within the group and to participate in appropriate ongoing training, consistent with the needs of the business.

All care homes develop their own internal communications and employees receive regular updates on the group's strategies, policies and results.

The group has taken appropriate steps during the financial year to introduce, maintain, or develop arrangements aimed at consulting employees or their representatives on a regular basis so that the views of employees can be taken into account in making decisions that are likely to affect their interests.

Our success is due to the teamwork and co-operation of the people within the group. The directors thank all those who have worked so hard and contributed so much to achieve these results during a demanding time. The group continues to develop and maintain a culture which encourages long service and we are proud that so many employees choose to remain with us over many years.

DIRECTORS' LIABILITY INSURANCE

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the financial year and is currently in force. The company also purchased and maintained throughout the financial year, directors' and officers' liability insurance in respect of itself and its directors.

ADOPTION OF FRS 102

Following the publication by the Financial Reporting Council of Financial Reporting Standard 100 ("FRS 100"), the group has adopted FRS 102 as its accounting framework for the preparation of these financial statements.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 APRIL 2019**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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), 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 the group 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;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group 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 corporate and financial information included on the company's website.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Cox Costello & Home, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mr W J Davies - Director

30 January 2020

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF OAKHURST COURT HOLDINGS LIMITED

Opinion

We have audited the financial statements of Oakhurst Court Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 April 2019 which comprise the Consolidated Profit & Loss account, Consolidated Other Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 30 April 2019 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 this regard.

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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors 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 Group Strategic Report or the Report of the Directors.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF OAKHURST COURT HOLDINGS LIMITED

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, 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 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 group's and 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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 of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.

Michael F Cox BSc FCA (Senior Statutory Auditor)
for and on behalf of Cox Costello & Horne
Chartered Accountants and Statutory Auditors
Fourth & Fifth Floor
14-15 Lower Grosvenor Place
London
SW1W 0EX

30 January 2020

Note:

The maintenance and integrity of the Oakhurst Court Holdings Limited website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**CONSOLIDATED PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 2019**

	Notes	30.4.19 £	30.4.18 £
TURNOVER	4	3,681,314	3,826,302
Cost of sales		<u>2,196,545</u>	<u>2,195,208</u>
GROSS PROFIT		1,484,769	1,631,094
Administrative expenses		<u>976,989</u>	<u>1,159,460</u>
OPERATING PROFIT	7	507,780	471,634
Interest receivable and similar income		<u>95,208</u>	<u>28,605</u>
		602,988	500,239
Interest payable and similar expenses	8	<u>300,000</u>	<u>300,000</u>
PROFIT BEFORE TAXATION		302,988	200,239
Tax on profit	9	<u>93,044</u>	<u>67,622</u>
PROFIT FOR THE FINANCIAL YEAR		209,944	<u>132,617</u>
Profit attributable to:			
Owners of the parent		<u>209,944</u>	<u>132,617</u>

**CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2019**

	Notes	30.4.19 £	30.4.18 £
PROFIT FOR THE YEAR		209,944	132,617
OTHER COMPREHENSIVE INCOME			
Property revaluation			
Income tax relating to other comprehensive income		-	148,295
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		-	148,295
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>209,944</u>	<u>280,912</u>
Total comprehensive income attributable to: Owners of the parent		<u>209,944</u>	<u>280,912</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 APRIL 2019

	Notes	30.4.19 £	£	30.4.18 £	£
FIXED ASSETS					
Tangible assets	12		9,623,960		9,830,253
Investments	13		-		-
			<u>9,623,960</u>		<u>9,830,253</u>
CURRENT ASSETS					
Stocks	14	2,669		2,669	
Debtors	15	1,632,241		1,082,432	
Cash at bank and in hand		<u>1,447,325</u>		<u>1,506,529</u>	
		3,082,235		2,591,630	
CREDITORS					
Amounts falling due within one year	16	<u>2,233,057</u>		<u>2,150,407</u>	
NET CURRENT ASSETS			<u>849,178</u>		<u>441,223</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>10,473,138</u>		<u>10,271,476</u>
CREDITORS					
Amounts falling due after more than one year	17		(3,000,000)		(3,000,000)
PROVISIONS FOR LIABILITIES	19		<u>(892,771)</u>		<u>(901,053)</u>
NET ASSETS			<u>6,580,367</u>		<u>6,370,423</u>
CAPITAL AND RESERVES					
Called up share capital	20		825,100		825,100
Revaluation reserve	21		4,468,743		4,468,743
Retained earnings	21		<u>1,286,524</u>		<u>1,076,580</u>
SHAREHOLDERS' FUNDS			<u>6,580,367</u>		<u>6,370,423</u>

The financial statements were approved by the Board of Directors on 30 January 2020 and were signed on its behalf by:

Mr W J Davies - Director

COMPANY STATEMENT OF FINANCIAL POSITION
30 APRIL 2019

	Notes	30.4.19 £	£	30.4.18 £	£
FIXED ASSETS					
Tangible assets	12		-		-
Investments	13		<u>1,776,526</u>		<u>1,776,526</u>
			1,776,526		1,776,526
CURRENT ASSETS					
Debtors	15	2,573,223		2,064,585	
Cash at bank		<u>12,570</u>		<u>490,790</u>	
		2,585,793		2,555,375	
CREDITORS					
Amounts falling due within one year	16	<u>264,077</u>		<u>849,850</u>	
NET CURRENT ASSETS			<u>2,321,716</u>		<u>1,705,525</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,098,242		3,482,051
CREDITORS					
Amounts falling due after more than one year	17		<u>3,589,156</u>		<u>3,000,000</u>
NET ASSETS			<u>509,086</u>		<u>482,051</u>
CAPITAL AND RESERVES					
Called up share capital	20		825,100		825,100
Retained earnings	21		<u>(316,014)</u>		<u>(343,049)</u>
SHAREHOLDERS' FUNDS			<u>509,086</u>		<u>482,051</u>
Company's profit/(loss) for the financial year			<u>27,035</u>		<u>(119,076)</u>

The financial statements were approved by the Board of Directors on 30 January 2020 and were signed on its behalf by:

Mr W J Davies - Director

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2019**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 May 2017	825,100	1,193,963	4,320,448	6,339,511
Changes in equity				
Dividends	-	(250,000)	-	(250,000)
Total comprehensive income	-	132,617	148,295	280,912
Balance at 30 April 2018	<u>825,100</u>	<u>1,076,580</u>	<u>4,468,743</u>	<u>6,370,423</u>
Changes in equity				
Total comprehensive income	-	209,944	-	209,944
Balance at 30 April 2019	<u>825,100</u>	<u>1,286,524</u>	<u>4,468,743</u>	<u>6,580,367</u>

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 May 2017	825,100	26,027	851,127
Changes in equity			
Dividends	-	(250,000)	(250,000)
Total comprehensive income	-	(119,076)	(119,076)
Balance at 30 April 2018	825,100	(343,049)	482,051
Changes in equity			
Total comprehensive income	-	27,035	27,035
Balance at 30 April 2019	825,100	(316,014)	509,086

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 APRIL 2019**

		30.4.19	30.4.18
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	25	218,251	1,623,011
Interest paid		(300,000)	(300,000)
Tax paid		(27,179)	(30,089)
Net cash from operating activities		<u>(108,928)</u>	<u>1,292,922</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(30,800)	(131,624)
Interest received		95,208	28,605
Net cash from investing activities		<u>64,408</u>	<u>(103,019)</u>
Cash flows from financing activities			
Amount withdrawn by directors		(14,684)	(14,255)
Equity dividends paid		-	(250,000)
Net cash from financing activities		<u>(14,684)</u>	<u>(264,255)</u>
(Decrease)/increase in cash and cash equivalents		<u>(59,204)</u>	<u>925,648</u>
Cash and cash equivalents at beginning of year	26	1,506,529	580,881
Cash and cash equivalents at end of year	26	<u>1,447,325</u>	<u>1,506,529</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019**

1. STATUTORY INFORMATION

Oakhurst Court Holdings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. STATEMENT OF COMPLIANCE

The group and individual financial statements of Oakhurst Court Holdings Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The nature of the group's operations and its principal activities are set out in the strategic report.

3. ACCOUNTING POLICIES

Basis of accounting

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

The functional currency of Oakhurst Court Holdings Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates. The consolidated financial statements are also presented in pounds sterling.

The financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006. The principal accounting policies, which have been applied consistently to all periods, are set out below.

Going concern

The group is expected to continue to generate positive cash flows for the foreseeable future and for not less than 12 months from the date of this report. On the basis of their assessment of the group's and company's financial position, the directors have a reasonable expectation that the group and company will be able to continue in operational existence for the foreseeable future which is not less than 12 months from the date of approving these consolidated financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Basis of consolidation

The consolidated financial statements include the financial statements of the company and all of its subsidiary undertakings up to 30 April.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Where a subsidiary has different accounting policies to the group, adjustments are made to those subsidiary financial statements to apply the group's accounting policies when preparing the consolidated financial statements.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

No profit and loss account is presented for Oakhurst Court Holdings Limited as permitted by Section 408 of the Companies Act 2006.

Company investments

Investment in a subsidiary is held at cost less accumulated impairment losses.

Borrowing costs are recognised in profit and loss in the period in which they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2019

3. ACCOUNTING POLICIES - continued

Significant judgements and estimates

In the application of the group's accounting policies, which are described below, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Risk management

(a) Financial risk

The group's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. Given the size of the group, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the group's finance department to limit the adverse effects of such finance risks by monitoring levels of debt and related finance costs.

(a - i) Market risk

The group has no exposure to equity securities price risk, as it has no listed equity investments. The group has both interest-bearing assets and liabilities. Interest-bearing assets include only cash balances, all of which earn interest at a variable rate. The group has a policy of maintaining debt at a fixed or capped rate to ensure certainty of future interest cash flows. Thus the group is only exposed to fair value interest rate risk, which is not expected to have a significant impact on profit or loss or equity.

(a - ii) Credit risk

Credit risk arises from cash and cash equivalents as well as exposure to customers including outstanding debtors.

(a - iii) Liquidity risk

The group actively maintains a mixture of long-term and short-term debt finance that is designed to ensure that the group has sufficient available funds for operations and planned expansions.

(b) Capital risk

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern, in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Turnover

Turnover comprises the invoiced value of goods and services supplied by the group excluding trade discounts.

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. The specific methods used to recognise the different forms of revenue earned by the group are set out below:

- sale of goods: turnover and profit from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the amount of revenue can be reliably measured; and
- rendering of services: turnover and profit from the provision of services is recognised as the contract activity progresses to reflect the performance of the underlying contractual obligations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2019

3. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets, excluding freehold and leasehold land and buildings, are initially measured at historic cost and subsequently carried at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring an asset into its intended working condition are included in the measurement of cost.

Freehold and leasehold land and buildings are initially measured at historic cost and subsequently at their revalued amount, being its fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The cost of properties is their purchase price together with the cost of improvement works. Fair value is determined on an open market basis by an independent professional advisor qualified by the Royal Institution of Chartered Surveyors to undertake valuation. Valuations are taken on a regular basis to ensure that the carrying amount does not differ materially from fair value at the reporting date. The group undertakes a review on a rolling basis over a five year-period.

Changes in fair value are disclosed in other comprehensive income and taken to a separate revaluation reserve.

Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Residential freehold land	- no depreciation
Residential freehold properties	- 50 years
Residential leasehold buildings	- over lease term
Plant and machinery	- 4 years
Fixtures and fittings	- 4 years
Office equipment	- 3 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Impairment of assets

The group assesses at each reporting date whether an asset may be impaired. If any such indication exists the group estimates the recoverable amount of the asset. If it is not possible to estimate the recoverable amount of the individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount of an asset or cash generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount is less than its carrying amount, the carrying amount of the asset is impaired and it is reduced to its recoverable amount through an impairment in profit and loss unless the asset is carried at a revalued amount where the impairment loss of a revalued asset is a revaluation decrease.

An impairment loss recognised for all assets is reversed in a subsequent period if and only if the reasons for the impairment loss have ceased to apply.

Stocks

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition, as follows:

Raw materials, consumables and goods for resale - purchase cost on a first-in, first-out basis.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Profit & Loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2019

3. **ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Leasing commitments

Rentals payable under operating leases are recognised as an expense on a straight line basis over the lease term.

Pension costs

From 1 April 2015, under the Pensions Act 2008, the group must put certain staff into a pension scheme and contribute towards it. This is called automatic enrolment. To comply with automatic enrolment laws, the group signed a participation agreement with a pension provider by which staff become members of an independently administered pension plan. The group and staff make contributions as specified in the plan. The assets of the plan are held separately from those of the group. The group has no liability under the plan other than for the payment of those contributions.

Contributions outstanding at the balance sheet date amounted to £5,838 (2018: £2,403).

3. **ACCOUNTING POLICIES - continued**

Financial instruments

The group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(a) Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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 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.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(b) Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies, 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 receipts discounted at a market rate of interest.

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. Trade creditors 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.

Derivatives, including foreign currency swaps and forward foreign exchange contracts, are not basic financial instruments. The group has no such financial instruments.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(c) Offsetting

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2019

3. ACCOUNTING POLICIES - continued

Provisions

A provision is recognised in the balance sheet when the group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate, that reflects current market assessments of the time value of money, and, when appropriate, the risks specific to the liability. The increase in the provision due to passage of time is recognised in finance costs.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Exceptional items

Items which are both material and non-recurring are presented as exceptional items within their relevant profit and loss account category. The separate reporting of exceptional items helps provide additional useful information regarding the group's underlying business performance.

Classification of shares as debt or equity

All categories of shares are classified as equity. Incremental costs directly attributable to the issue of new shares would be shown in a share premium account as a deduction from the proceeds.

Post balance sheet events

The financial statements take into consideration events occurring between the year end date and the date of their approval by the board of directors, as indicated on the balance sheet. In accordance with FRS 102, equity dividends on ordinary share capital are recognised as a liability in the period in which they are declared.

4. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

In the opinion of the directors the disclosure of any information required by class of business and geographical markets would be seriously prejudicial to the interests of the group.

5. EMPLOYEES AND DIRECTORS

	30.4.19	30.4.18
	£	£
Wages and salaries	1,835,985	1,836,947
Social security costs	124,325	114,018
	<u>1,960,310</u>	<u>1,950,965</u>

The average number of employees during the year was as follows:

	30.4.19	30.4.18
Managerial and administrative	5	5
Care, catering, domestic and maintenance	90	104
	<u>95</u>	<u>109</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 95 (2018 - 109) .

6. DIRECTORS' EMOLUMENTS

	30.4.19	30.4.18
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2019

6. DIRECTORS' EMOLUMENTS - continued

Key management

The directors are considered to be the key management and are compensated as disclosed above.

7. OPERATING PROFIT

The operating profit is stated after charging:

	30.4.19 £	30.4.18 £
Other operating leases	9,000	9,000
Depreciation - owned assets	237,093	260,047
Auditors' remuneration	15,318	14,730
Auditors' remuneration for non audit work	<u>8,344</u>	<u>8,020</u>

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	30.4.19 £	30.4.18 £
Interest payable to group undertaking	<u>300,000</u>	<u>300,000</u>

9. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	30.4.19 £	30.4.18 £
Current tax:		
UK corporation tax	101,326	62,190
Deferred tax	(8,282)	5,432
Tax on profit	<u>93,044</u>	<u>67,622</u>

UK corporation tax has been charged at 19% (2018 - 19%).

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	30.4.19 £	30.4.18 £
Profit before tax	<u>302,988</u>	<u>200,239</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	57,568	38,045
Effects of:		
Depreciation in excess of capital allowances	42,469	24,144
Utilisation of tax losses	-	15,972
Group relief	-	(50,982)
NTRLR	-	35,010
Deferred tax	(8,283)	5,433
Change in corporation tax rate	1,290	-
Total tax charge	<u>93,044</u>	<u>67,622</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2019

9. TAXATION - continued

Tax effects relating to effects of other comprehensive income

There were no tax effects for the year ended 30 April 2019.

	Gross £	30.4.18 Tax £	Net £
Property revaluation	-	148,295	148,295

Factors that may affect future tax charges

Tax rate changes

A change to the UK corporation tax rate was announced in the Chancellor's Budget on 16 March 2016. The change announced is to reduce the main rate to 17% from 1 April 2020. Changes to reduce the UK corporation tax rate to 19% from 1 April 2017 and to 18% from 1 April 2020 had already been substantively enacted on 26 October 2015. At the Chancellor's Budget scheduled to be held on 11 March 2020, it is expected that the corporation tax rate will be held to 19%.

10. INDIVIDUAL PROFIT & LOSS ACCOUNT

As permitted by Section 408 of the Companies Act 2006, the Profit and loss account of the parent company is not presented as part of these financial statements.

11. DIVIDENDS

	30.4.19 £	30.4.18 £
A Ordinary Shares shares of £1 each		
Interim	-	250,000

12. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST OR VALUATION				
At 1 May 2018	10,000,000	447,141	4,000	10,451,141
Additions	-	30,800	-	30,800
At 30 April 2019	10,000,000	477,941	4,000	10,481,941
DEPRECIATION				
At 1 May 2018	323,200	293,688	4,000	620,888
Charge for year	161,600	75,493	-	237,093
At 30 April 2019	484,800	369,181	4,000	857,981
NET BOOK VALUE				
At 30 April 2019	9,515,200	108,760	-	9,623,960
At 30 April 2018	9,676,800	153,453	-	9,830,253

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2019

12. TANGIBLE FIXED ASSETS - continued

Group

Cost or valuation at 30 April 2019 is represented by:

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
Valuation in 2010	100,000	-	-	100,000
Valuation in 2016	5,342,207	-	-	5,342,207
Cost	4,557,793	477,941	4,000	5,039,734
	<u>10,000,000</u>	<u>477,941</u>	<u>4,000</u>	<u>10,481,941</u>

If land and buildings had not been revalued they would have been included at the following historical cost:

	30.4.19 £	30.4.18 £
Cost	4,557,793	4,557,793
Aggregate depreciation	<u>756,935</u>	<u>665,779</u>

Land and buildings were valued on an open market basis on 28 April 2016 by DTZ Debenham Tie Leung Limited

13. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 May 2018 and 30 April 2019	<u>1,776,526</u>
NET BOOK VALUE	
At 30 April 2019	<u>1,776,526</u>
At 30 April 2018	<u>1,776,526</u>

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

Charlton Court Care Home Limited

Registered office:

Nature of business: Care home services

	% holding	30.4.19 £	30.4.18 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		2,485,818	2,433,716
Profit for the year		<u>52,102</u>	<u>73,622</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2019

13. FIXED ASSET INVESTMENTS - continued

Oakhurst Court Limited

Registered office:

Nature of business: Care home services

Class of shares:

Ordinary

%
holding
100.00

	30.4.19	30.4.18
	£	£
Aggregate capital and reserves	5,362,260	5,131,453
Profit for the year	<u>130,807</u>	<u>178,072</u>

The directors believe that the carrying value of the investments is supported by their underlying net assets.

14. STOCKS

	Group	
	30.4.19	30.4.18
	£	£
Stocks	<u>2,669</u>	<u>2,669</u>

15. DEBTORS

	Group		Company	
	30.4.19	30.4.18	30.4.19	30.4.18
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	279,622	350,761	-	-
Other debtors	825,576	226,149	498,686	203,410
Directors' current accounts	504,144	489,460	-	-
Prepayments and accrued income	22,899	16,062	-	-
	<u>1,632,241</u>	<u>1,082,432</u>	<u>498,686</u>	<u>203,410</u>
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	-	2,074,537	1,861,175
Aggregate amounts	<u>1,632,241</u>	<u>1,082,432</u>	<u>2,573,223</u>	<u>2,064,585</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30.4.19	30.4.18	30.4.19	30.4.18
	£	£	£	£
Trade creditors	100,564	48,964	-	-
Tax	214,767	140,620	83,575	77,233
Social security and other taxes	56,254	60,354	-	-
Other creditors	1,513,288	1,868,543	165,037	765,037
Accruals and deferred income	348,184	31,926	15,465	7,580
	<u>2,233,057</u>	<u>2,150,407</u>	<u>264,077</u>	<u>849,850</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2019

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	30.4.19	30.4.18	30.4.19	30.4.18
	£	£	£	£
Amount owed to group undertaking	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,589,156</u>	<u>3,000,000</u>

Group and company

To document existing indebtedness of the company, the company entered into a loan note instrument dated 8 June 2012. Pursuant to which, £3,000,000 of 10% redeemable loan notes are now issued to the company's principal shareholder, Oakhurst Court Holdings (Cayman) Limited. 2,500,000 10% redeemable loan notes were initially admitted to the Official List of the Channel Islands Stock Exchange on the 13 July 2012. A further 500,000 10% redeemable loan notes were admitted on the 3 October 2016. The loan notes are redeemable in full at par on the maturity date of 8 June 2022.

18. FINANCIAL INSTRUMENTS

Group

The group has the following financial instruments:

	Note	30.04.19	30.04.18
		£	£
Financial assets that are debt instruments measured at amortised cost	15	<u>3,056,667</u>	<u>2,572,899</u>
Financial liabilities measured at amortised cost	16 & 17	<u>4,962,036</u>	<u>4,949,433</u>

Company

The company has the following financial instruments:

	Note	30.04.19	30.04.18
		£	£
Financial assets that are debt instruments measured at amortised cost	15	<u>2,585,793</u>	<u>2,555,375</u>
Financial liabilities measured at amortised cost	16 & 17	<u>3,769,658</u>	<u>3,772,617</u>

Financial assets measured at amortised cost comprise cash, trade debtors, other debtors and amounts owed by group undertakings.

Financial liabilities measured at cost comprise trade creditors, other creditors, amounts owed to group undertakings and accruals.

19. PROVISIONS FOR LIABILITIES

	Group	
	30.4.19	30.4.18
	£	£
Deferred tax	<u>892,771</u>	<u>901,053</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2019

19. PROVISIONS FOR LIABILITIES - continued

Group

	Deferred tax £
Balance at 1 May 2018	901,053
Capital allowances in excess of depreciation	(8,282)
Balance at 30 April 2019	<u>892,771</u>

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.4.19 £	30.4.18 £
825,000	A Ordinary Shares	£1	825,000	825,000
100	B Ordinary Shares	£1	100	100
			<u>825,100</u>	<u>825,100</u>

21. RESERVES

Group

	Retained earnings £	Revaluation reserve £	Totals £
At 1 May 2018	1,076,580	4,468,743	5,545,323
Profit for the year	209,944		209,944
At 30 April 2019	<u>1,286,524</u>	<u>4,468,743</u>	<u>5,755,267</u>

Company

	Retained earnings £
At 1 May 2018	(343,049)
Profit for the year	27,035
At 30 April 2019	<u>(316,014)</u>

Revaluation reserve

Recognition of gains in the carrying value of freehold property to its fair value.

22. ULTIMATE PARENT COMPANY

Oakhurst Court Holdings (Cayman) Limited (incorporated in the Cayman Islands) is regarded by the directors as being the company's ultimate parent company.

According to Cayman Islands company law, Companies Law (2018 Revision), there is no statutory requirement to prepare financial statements. Oakhurst Court Holdings Limited, as an intermediary parent of a group, prepares consolidated financial statements and can be obtained from Oakhurst Court Holdings Limited's registered office. The directors consider these financial statements to be the largest for which group financial statements are prepared and in which the company's results are included.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2019

23. RELATED PARTY DISCLOSURES

Oakhurst Court Holdings (Cayman) Limited - parent company

During the reporting period, the group incurred interest of £300,000 (2018: £300,000) and rent of £9,000 (2018: 9,000). At the reporting date, the amount outstanding was £34,963 debit (2018: £765,037).

During the reporting period, dividends paid was £nil (2018: £250,000).

ADL Plc - company in which Mr WJ Davies and Mrs PL Jackson are directors

During the reporting period, the group contracted services and under profit share arrangements incurred expenditure of £514,465 (2018: £475,582). At the reporting date, the amount outstanding was £1,196,759 (2018: £958,518).

Henry Harford - ultimate controlling party

At the reporting date, the amount due from the related party was £200,000 (2018: £200,000).

At the reporting date, outstanding amounts are unsecured, attract no interest, have no fixed terms of repayment and considered repayable on demand.

24. ULTIMATE CONTROLLING PARTY

At the reporting date, in the directors' opinion, Mr H Harford was the ultimate controlling party. There has been no change between the reporting date and date of approval of the financial statements.

25. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	30.4.19	30.4.18
	£	£
Profit before taxation	302,988	200,239
Depreciation charges	237,093	260,047
Finance costs	300,000	300,000
Finance income	(95,208)	(28,605)
	<u>744,873</u>	<u>731,681</u>
(Increase)/decrease in trade and other debtors	(535,125)	55,397
Increase in trade and other creditors	8,503	835,933
Cash generated from operations	<u>218,251</u>	<u>1,623,011</u>

26. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 30 April 2019

	30.4.19	1.5.18
	£	£
Cash and cash equivalents	<u>1,447,325</u>	<u>1,506,529</u>

Year ended 30 April 2018

	30.4.18	1.5.17
	£	£
Cash and cash equivalents	<u>1,506,529</u>	<u>580,881</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.