

OAKHURST COURT HOLDINGS LIMITED
GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020

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FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020**

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OAKHURST COURT HOLDINGS LIMITED

**COMPANY INFORMATION
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020**

DIRECTORS:

Mrs P L Jackson
Mr W J Davies

REGISTERED OFFICE:

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

REGISTERED NUMBER:

07238291 (England and Wales)

AUDITORS:

Cox Costello & Horne
Chartered Accountants and Statutory Auditors
26 Main Avenue
Moor Park
HA6 2HJ

**GROUP STRATEGIC REPORT
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020**

The directors present their strategic report of the company and the group for the period ended 31 March 2020.

REVIEW OF BUSINESS

The company and group results of 2020 are generally in line with those of 2019.

The results of your company, of course, include March, the first month of the Covid 19 pandemic. At the insistence of the Operations Director Mrs Pearl Jackson, we were one of the first groups to isolate the homes on the 8th March thus saving us from the worst ravages of the pandemic. However, the later discharge of Covid infected people from hospitals to a number of homes, without appropriate tests, took its toll on four of our homes.

Trading at our other homes is generally in line with our expectations and in some instances exceeds our expectations.

Regulators and particularly safeguarding committees take up more and more of their time leaving less time for us to improve the business.

Once again, I would like to express the Boards gratitude to Pearl Jackson and all our staff for their caring and support of our clients during these difficult times.

During the reporting period, the holding company continues with the lending business creating 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:

1. The affects and consequences of a Covid 19 outbreak in any of our homes.
2. The uncertainties in respect of announced inspections and decisions of the Care Quality Commission
3. Exposure to new legislation and regulatory requirements
4. The recruitment and retention of a skilled workforce particularly in connection with the uncertainties of Brexit
5. The potential withdrawal of local authority approval/funding

KEY PERFORMANCE INDICATORS

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

1. Investment in PPE
2. Investment in the property assets
3. Occupancy rates
4. Gross Margin
5. Wage costs per bed
6. Debtor turn
7. Cash balances

GOING CONCERN

The directors, after reviewing the group's operating budgets and financing arrangements, consider that the company and group have sufficient financing available at the date of approval of this report. Accordingly, the directors are satisfied that it is appropriate to adopt the going concern basis in preparing the annual report and financial statements. Refer to note 2 of the financial statements for further detail, in particular the assessment by the directors of the impact on the group of the Coronavirus pandemic.

A full description of the group's business activities, financial position, cash flows, liquidity position, committed facilities and borrowing position, together with the factors likely to affect its future development and performance, are set out in the Strategic Report.

ON BEHALF OF THE BOARD:

Mr W J Davies - Director

19 February 2021

**REPORT OF THE DIRECTORS
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020**

The directors present their report with the financial statements of the company and the group for the period 1 May 2019 to 31 March 2020.

The report of the directors is a document produced by the board of directors under the requirement of UK company law. It details the state of the company and group, and its compliance with applicable financial, accounting and corporate social responsibility regulations.

DIVIDENDS

An interim dividend of £1.5636 per share on the Ordinary A £1 shares was paid. The directors recommend that no final dividend be paid on these shares.

No interim dividend was paid on the Ordinary B £1 shares. The directors recommend that no final dividend be paid on these shares.

The total distribution of dividends for the period ended 31 March 2020 will be £1,290,000.

EVENTS SINCE THE END OF THE PERIOD

Information relating to events since the end of the period is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 May 2019 to the date of this report.

Mrs P L Jackson
Mr W J Davies

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.

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.

**REPORT OF THE DIRECTORS
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020**

AUDITORS

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

ON BEHALF OF THE BOARD:

Mr W J Davies - Director

19 February 2021

**STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020**

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

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 period ended 31 March 2020 which comprise the Consolidated Profit and Loss account, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement 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 31 March 2020 and of the group's profit for the period 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, the Report of the Directors and the Statement of Directors' Responsibilities, 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
26 Main Avenue
Moor Park
HA6 2HJ

19 February 2021

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.

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020**

		Period 1.5.19 to 31.3.20 £	Year Ended 30.4.19 £
	Notes		
TURNOVER	4	3,500,804	3,681,314
Cost of sales		<u>2,059,412</u>	<u>2,196,545</u>
GROSS PROFIT		1,441,392	1,484,769
Administrative expenses		<u>986,043</u>	<u>976,989</u>
		455,349	507,780
Other operating income		<u>15,314</u>	-
OPERATING PROFIT	6	470,663	507,780
Interest receivable and similar income		104,447	95,208
Interest payable and similar expenses	7	<u>(275,700)</u>	<u>(300,000)</u>
PROFIT BEFORE TAXATION		299,410	302,988
Tax on profit	8	<u>83,222</u>	<u>93,044</u>
PROFIT FOR THE FINANCIAL PERIOD		216,188	209,944
OTHER COMPREHENSIVE INCOME			
Property revaluations			
Income tax relating to other comprehensive income		(171,185)	-
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF INCOME TAX		<u>(171,185)</u>	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>45,003</u>	<u>209,944</u>
Profit attributable to: Owners of the parent		<u>216,188</u>	<u>209,944</u>
Total comprehensive income attributable to: Owners of the parent		<u>45,003</u>	<u>209,944</u>

CONSOLIDATED BALANCE SHEET
31 MARCH 2020

	Notes	31.3.20 £	£	30.4.19 £	£
FIXED ASSETS					
Tangible assets	11		9,406,502		9,623,960
Investments	12		-		-
			9,406,502		9,623,960
CURRENT ASSETS					
Stocks	13	2,669		2,669	
Debtors	14	1,227,375		1,632,241	
Cash at bank and in hand		767,853		1,447,325	
		1,997,897		3,082,235	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	15	2,018,033		2,233,057	
NET CURRENT (LIABILITIES)/ASSETS			(20,136)		849,178
TOTAL ASSETS LESS CURRENT LIABILITIES			9,386,366		10,473,138
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	16		(3,000,000)		(3,000,000)
PROVISIONS FOR LIABILITIES	18		(1,050,996)		(892,771)
NET ASSETS			5,335,370		6,580,367
CAPITAL AND RESERVES					
Called up share capital	19		825,100		825,100
Revaluation reserve	20		3,875,148		4,468,743
Retained earnings	20		635,122		1,286,524
SHAREHOLDER FUNDS			5,335,370		6,580,367

The financial statements were approved by the Board of Directors and authorised for issue on 19 February 2021 and were signed on its behalf by:

Mr W J Davies - Director

COMPANY BALANCE SHEET
31 MARCH 2020

	Notes	31.3.20 £	£	30.4.19 £	£
FIXED ASSETS					
Tangible assets	11		-		-
Investments	12		<u>1,776,526</u>		<u>1,776,526</u>
			1,776,526		1,776,526
CURRENT ASSETS					
Debtors	14	2,271,803		2,573,223	
Cash at bank		<u>372,828</u>		<u>12,570</u>	
		2,644,631		2,585,793	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	15	544,554		264,077	
NET CURRENT ASSETS			<u>2,100,077</u>		<u>2,321,716</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,876,603		4,098,242
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	16		3,000,000		3,589,156
NET ASSETS			<u>876,603</u>		<u>509,086</u>
CAPITAL AND RESERVES					
Called up share capital	19		825,100		825,100
Retained earnings	20		<u>51,503</u>		<u>(316,014)</u>
SHAREHOLDERS' FUNDS			<u>876,603</u>		<u>509,086</u>
Company's profit for the financial year			<u>1,657,517</u>		<u>27,035</u>

The financial statements were approved by the Board of Directors and authorised for issue on 19 February 2021 and were signed on its behalf by:

Mr W J Davies - Director

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 May 2018	825,100	1,076,580	4,468,743	6,370,423
Total comprehensive income	-	209,944	-	209,944
Balance at 30 April 2019	825,100	1,286,524	4,468,743	6,580,367
Total comprehensive income	-	638,598	(593,595)	45,003
Dividends	-	(1,290,000)	-	(1,290,000)
Balance at 31 March 2020	825,100	635,122	3,875,148	5,335,370

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 May 2018	825,100	(343,049)	482,051
Total comprehensive income	-	27,035	27,035
Balance at 30 April 2019	825,100	(316,014)	509,086
Total comprehensive income	-	1,657,517	1,657,517
Dividends	-	(1,290,000)	(1,290,000)
Balance at 31 March 2020	825,100	51,503	876,603

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020**

		Period 1.5.19 to 31.3.20 £	Year Ended 30.4.19 £
Cash flows from operating activities	Notes		
Cash generated from operations	26	557,648	1,113,525
Interest paid		(275,700)	(300,000)
Tax paid		(103,342)	(27,179)
Net cash from operating activities		<u>178,606</u>	<u>786,346</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(12,468)	(30,800)
Interest received		60,000	-
Net cash from investing activities		<u>47,532</u>	<u>(30,800)</u>
Cash flows from financing activities			
Secured loans settled/(new) in year		410,000	(533,000)
Group loan net movement		(25,610)	(281,750)
Equity dividends paid		(1,290,000)	-
Net cash from financing activities		<u>(905,610)</u>	<u>(814,750)</u>
Decrease in cash and cash equivalents		<u>(679,472)</u>	<u>(59,204)</u>
Cash and cash equivalents at beginning of period	27	1,447,325	1,506,529
Cash and cash equivalents at end of period	27	<u>767,853</u>	<u>1,447,325</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020**

1. GENERAL INFORMATION

Oakhurst Court Holdings Limited is a private company limited by shares incorporated in England (the "company").

The registered office is c/o Woodlands of Woolley Residential Home, Woolley Low Moor Lane, Wakefield, WF4 2LN.

The consolidated financial statements for the period ended 31 March 2020 comprise the financial statements of the company and its subsidiaries (the "group"). The accounting period for the group has been amended to end on 31 March, which is an eleven month period. The comparatives relate to a twelve month period.

The directors have taken advantage of the exemption, as permitted by Section 408 of the Companies Act 2006 and not presented a profit and loss account nor statement of comprehensive income for the company alone.

The group's principal activities are set out in the strategic report.

2. 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.

The presentation currency of the financial statements is the Pound Sterling (£).

3. ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Going concern and COVID-19

In determining the appropriate basis of preparation of the financial statements for the period ended 31 March 2020, the directors are required to consider whether the group can continue in operational existence for the foreseeable future; taken to be 12 months from signing the financial statements. The board of directors have concluded that it is appropriate to adopt the going concern basis, having undertaken a thorough assessment of the financial forecasts with specific consideration to the trading position of the group in the context of the current Coronavirus pandemic in the UK, for the reasons set out below.

The directors have assessed the group's financial commitments and consider, after taking into account cash generated from operations and existing facilities, the business would have sufficient liquidity to continue to operate and to discharge its liabilities as they fall due.

The directors, after reviewing the group's operating budgets and financing arrangements, consider that the company and group have sufficient financing available at the date of approval of this report.

The directors have separately considered the uncertainty as to the future impact of COVID-19 on the ongoing concern assessment. To date the impact on the occupancy rates have remained stable, however the directors cannot predict the longer term impact of the crises. The directors do not consider there to be a material uncertainty arising from the specific downside scenario impact of the crises on the company's and group's occupancy levels and cashflows.

Accordingly, the directors are satisfied that it is appropriate to adopt the going concern basis in preparing the financial statements.

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available to qualifying entities:

- only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the group and the parent company would be identical;
- no cash flow statement or net debt reconciliation has been presented for the parent company;
- disclosures in respect of the parent company's income, expense, net gains and net losses on financial instruments measured at amortised cost have not been presented as equivalent disclosures have been provided in respect of the group as a whole; and
- no disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020

3. ACCOUNTING POLICIES - continued

Basis of consolidation

The group's consolidated financial statements incorporate the results for the company and all entities controlled by the company including its subsidiaries made up to the period-end date.

Subsidiaries and related undertakings

Subsidiary undertakings are all entities over which the group has control. Control exists when the group has the power to direct the relevant activities of an entity so as to affect the return on investment. All intercompany balances, transactions and unrealised gains are eliminated upon consolidation.

Company

Investments in subsidiaries are carried at cost less any impairment loss in the financial statements of the company.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's and group's accounting policies the directors are required to make judgements, estimates and assumptions about the carrying value 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.

The following are the key sources of estimation uncertainty that the directors have assessed as being applicable to the company and group and that the most significant effect on the amounts recognised in the financial statements.

(a) Valuation of freehold property

The valuation method of freehold property is considered most likely to have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. In order to provide an up-to-date accurate valuation an external valuer is contracted to value the property; the latest valuation was undertaken 28 June 2016. In future periods, the directors will continue to review the carrying value of the property to ensure it remains in line with its fair value.

(b) Impairment of investment in subsidiary undertakings

Determining whether the carrying values of the company's investments is impaired requires an estimation of the value in use of the cash-generating units of each of the investments. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. At the balance sheet date, the directors are satisfied that no further provision was necessary against the carrying amount of investments at the balance sheet.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020

3. ACCOUNTING POLICIES - continued

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 PERIOD 1 MAY 2019 TO 31 MARCH 2020

3. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost and not provided
Plant and machinery	- 25% on cost

Freehold land is considered to have an infinite life and is not depreciated.

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Tangible assets (not including freehold property) are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use.

Freehold property is originally stated at deemed cost held at valuation at the date of transition to FRS 102. Freehold property is subsequently held at their latest revaluation amount less any accumulated depreciation and accumulated impairment losses. Revaluation gains and losses are taken to a revaluation reserve within equity and reported as other comprehensive income. Revaluation loss is taken to the revaluation reserve to the extent that there is a surplus on the revaluation reserve. Any excess of the loss over the surplus is taken to the profit and loss account. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Valuations are undertaken on a "desk top" basis by a Chartered Surveyor from Cushman & Wakefield on a bi annual basis.

Impairment of fixed assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised immediately in profit or loss.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020

3. ACCOUNTING POLICIES - continued

Basic financial instruments

The group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

(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 PERIOD 1 MAY 2019 TO 31 MARCH 2020

3. ACCOUNTING POLICIES - continued

Taxation

Current tax

Current tax is accounted for on the basis of tax laws enacted or substantively enacted at the balance sheet date. Current tax is charged or credited to the profit and loss account, except when it relates to items charged to equity or other comprehensive income.

Deferred tax

Deferred tax is accounted for on the basis of temporary differences arising from differences between the tax base and accounting base of assets and liabilities.

Deferred tax is recognised for all temporary differences, except to the extent where it arises from the initial recognition of an asset or a liability in a transaction that is not a business combination and, at the time of transaction, affects neither accounting profit nor taxable profit. It is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax is charged or credited to the profit and loss account, except when it relates to items charged or credited directly to equity or other comprehensive income.

Deferred tax is provided on temporary differences associated with investments in subsidiaries and joint ventures except where the group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Leasing commitments

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

Pension costs

The group operates, for the benefit of its employees, a defined contribution scheme. The scheme is funded by the payment of contributions to trustee administered funds which are kept entirely separate from the assets of the group. The group does not operate any defined benefit retirement arrangements.

As of 1 April 2015 it became a statutory requirement to enrol all eligible staff into a workplace pension scheme. Employees are enrolled in the NEST Pension Scheme, an independently administered scheme, and is a defined contribution pension scheme. The employee can choose to "opt out" of the scheme after they have been auto-enrolled, this opt out lasts for three years, after which time the group will be required to re-enrol the employee. The group is required to make employer contributions of the employee's qualifying salary to the NEST Pension Scheme. The pension costs represents contributions payable under the scheme and the group has no liability under the scheme other than for the payment of those contributions.

Contributions outstanding at the balance sheet date amounted to £5,088 (2019 - £5,838).

Share capital and dividends

All company shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity. Repurchased shares are cancelled.

Dividends

Dividends on ordinary shares are recognised as a liability at the time it becomes obligated to pay.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020

5. EMPLOYEES AND DIRECTORS

	Period 1.5.19 to 31.3.20 £	Year Ended 30.4.19 £
Wages and salaries	1,436,385	1,634,940
Social security costs	107,180	124,325
Other pension costs	22,913	11,155
	<u>1,566,478</u>	<u>1,770,420</u>

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

	Period 1.5.19 to 31.3.20	Year Ended 30.4.19
Managerial and administrative	5	5
Care, catering, domestic and maintenance	87	90
	<u>92</u>	<u>95</u>

Key management compensation

Key management includes the directors of the company and managerial staff of care homes. Key management compensation includes salaries, national insurance costs and pension costs. Costs of key management compensation are included within operating expenses.

	Period 1.5.19 to 31.3.20 £	Year Ended 30.4.19 £
Directors' remuneration	-	-

6. OPERATING PROFIT

The operating profit is stated after charging:

	Period 1.5.19 to 31.3.20 £	Year Ended 30.4.19 £
Other operating leases	8,250	9,000
Depreciation - owned assets	229,926	237,093
Auditors' remuneration	4,425	4,575
The auditing of group undertakings of the company	10,438	10,743
Non-audit services - accounts preparation	<u>8,344</u>	<u>8,344</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	Period 1.5.19 to 31.3.20 £	Year Ended 30.4.19 £
Interest payable on loan notes	<u>275,700</u>	<u>300,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020

8. TAXATION**Analysis of the tax charge**

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

	Period 1.5.19 to 31.3.20 £	Year Ended 30.4.19 £
Current tax:		
UK corporation tax	97,471	101,326
Prior year overprovision	(1,289)	-
Total current tax	<u>96,182</u>	<u>101,326</u>
Deferred tax	(12,960)	(8,282)
Tax on profit	<u>83,222</u>	<u>93,044</u>

UK corporation tax has been charged at 27.80% (2019 - 30.71%).

Reconciliation of total tax charge included in profit and loss

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

	Period 1.5.19 to 31.3.20 £	Year Ended 30.4.19 £
Profit before tax	<u>299,410</u>	<u>302,988</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	56,888	57,568
Effects of:		
Depreciation in excess of capital allowances	27,623	34,187
Adjustments to tax charge in respect of previous periods	(1,289)	1,289
Total tax charge	<u>83,222</u>	<u>93,044</u>

Tax effects relating to effects of other comprehensive income

	Gross £	1.5.19 to 31.3.20 Tax £	Net £
Property revaluations	<u>-</u>	<u>(171,185)</u>	<u>(171,185)</u>

Factors that may affect future tax charges**(a) Tax rate changes**

Changes to the UK corporation tax rates were substantively enacted as part of Finance Act 2020 on 22 July 2020. These include reversing the main rate reductions previously enacted as part of the Finance Act 2016. From 1 April 2020, the main rate is to increase from 18% to 19% and from 1 April 2021 to increase from 17% to 19%. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

(b) Deferred tax

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020

9. INDIVIDUAL PROFIT AND 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.

10. DIVIDENDS

	Period 1.5.19 to 31.3.20 £	Year Ended 30.4.19 £
Ordinary A shares of £1 each		
Interim	<u>1,290,000</u>	<u>-</u>

11. TANGIBLE FIXED ASSETS**Group**

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST OR VALUATION				
At 1 May 2019	10,000,000	477,941	4,000	10,481,941
Additions	-	12,468	-	12,468
At 31 March 2020	<u>10,000,000</u>	<u>490,409</u>	<u>4,000</u>	<u>10,494,409</u>
DEPRECIATION				
At 1 May 2019	484,800	369,181	4,000	857,981
Charge for period	161,600	68,326	-	229,926
At 31 March 2020	<u>646,400</u>	<u>437,507</u>	<u>4,000</u>	<u>1,087,907</u>
NET BOOK VALUE				
At 31 March 2020	<u>9,353,600</u>	<u>52,902</u>	<u>-</u>	<u>9,406,502</u>
At 30 April 2019	<u>9,515,200</u>	<u>108,760</u>	<u>-</u>	<u>9,623,960</u>

Included in cost or valuation of land and buildings is freehold land of £1,482,500 (2019 - £1,482,500) which is not depreciated.

At the reporting date, the directors consider without undertaking a formal valuation that the carrying value of freehold property to be in line with open market expectations.

Cost or valuation at 31 March 2020 is represented by:

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
Valuation in 2016	5,342,207	-	-	5,342,207
Cost	<u>4,657,793</u>	<u>490,409</u>	<u>4,000</u>	<u>5,152,202</u>
	<u>10,000,000</u>	<u>490,409</u>	<u>4,000</u>	<u>10,494,409</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020

11. TANGIBLE FIXED ASSETS - continued**Group**

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

	31.3.20 £	30.4.19 £
Cost	<u>3,456,034</u>	<u>3,456,034</u>
Aggregate depreciation	<u>1,029,270</u>	<u>816,436</u>
Value of land in freehold land and buildings	<u>656,148</u>	<u>656,148</u>

Freehold land and buildings were valued on an informal basis on 31 March 2020 by directors .

The last time a full valuation was undertaken, was on 28 June 2016, undertaken by DTZ Debenham Tie Leung Limited.

Special Comment Regarding Valuation Methodology in a Covid-19 Environment by Martin Robb BSc FRICS, International Partner, Cushman & Wakefield Debenham Tie Leung Limited.

As at 31 March 2020, the RICS, as the regulatory body for valuations, had recommended that Material Uncertainty clauses be applied to all valuations.

As agents in the healthcare market we noticed almost all transactional activity come to a halt, rather than terminated. A key factor concerning valuations is the presumption of the "willing buyer and willing seller". In our opinion those circumstances did not exist. Sellers were faced with uncertainty around future trade, but if not forced sellers for any reason, they were comfortable in withdrawing the assets from a sale process. Conversely, buyers were looking to reduce prices often for no better reason than they felt they should ask. The result was an impasse accordingly. We believe that a valuation of the assets at 31 March 2020 for balance sheet purposes would be difficult as normal market trading conditions had in effect been suspended.

As at September 2020, a valuation for balance sheet purposes would have to look back at market conditions where transactions were largely being put on hold. We would be adopting a date of valuation when Material Uncertainty applied (as defined by the RICS Red Book) and hindsight confirms this was not lifted until late August 2020. In other words, it was not reasonably foreseeable as at 31 March 2020 that it would be lifted.

It therefore seems reasonable to us that a logical conclusion in the circumstances is not to carry out a revaluation for balance sheet purposes as at 31 March 2020.

12. FIXED ASSET INVESTMENTS

All undertakings listed below are fully owned by the company and interests represent ordinary share capital. All undertakings are consolidated in full.

The nature of business for all the undertakings listed below: care home services.

The registered address for all the undertakings listed below: Woodlands of Woolley Residential Home, Woolley Low Moor Lane, Wakefield, WF4 2LN.

a) Subsidiary undertakings

Entity	Country of incorporation	Interest	Holding
Charlton Court Care Home Limited	UK	100%	Direct
Oakhurst Court Limited	UK	100%	Direct

Group and company

The directors consider that the carrying value of investments are supported by their underlying net assets.

13. STOCKS

	Group 31.3.20 £	30.4.19 £
Stocks	<u>2,669</u>	<u>2,669</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020

14. DEBTORS

	Group		Company	
	31.3.20	30.4.19	31.3.20	30.4.19
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	139,575	279,622	-	-
Other debtors	543,141	825,576	516,250	498,686
Directors' current accounts	518,008	504,144	-	-
Prepayments	26,651	22,899	-	-
	<u>1,227,375</u>	<u>1,632,241</u>	<u>516,250</u>	<u>498,686</u>
Amounts falling due after more than one year:				
Amounts owed by group undertaking	-	-	1,755,553	2,074,537
Aggregate amounts	<u>1,227,375</u>	<u>1,632,241</u>	<u>2,271,803</u>	<u>2,573,223</u>

Amount owed by group undertaking is unsecured, attracts no interest, has no fixed terms of repayment and considered payable on demand.

Other debtors include loans totalling £543,141 (2019: £838,525) which are secured by registered legal charges.

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.20	30.4.19	31.3.20	30.4.19
	£	£	£	£
Trade creditors	55,291	100,564	-	-
Amounts owed to group undertaking	457,677	-	457,677	-
Tax	92,878	214,767	1,763	83,575
Social security and other taxes	54,238	56,254	-	-
Other creditors	1,332,723	1,513,288	77,233	165,037
Accruals	25,226	348,184	7,881	15,465
	<u>2,018,033</u>	<u>2,233,057</u>	<u>544,554</u>	<u>264,077</u>

Amounts owed to group undertaking is unsecured, attracts no interest, has no fixed terms of repayment and considered payable on demand.

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

	Group		Company	
	31.3.20	30.4.19	31.3.20	30.4.19
	£	£	£	£
Amount owed to group undertakings	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,589,156</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.

Company

Amounts owed to group undertaking is unsecured, attracts no interest, has no fixed terms of repayment and considered payable on demand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020

17. BASIC FINANCIAL INSTRUMENTS

Group

The group has the following basic financial instruments:

	31.03.20 £	30.04.19 £
Financial assets measured at amortised cost	<u>1,971,246</u>	<u>3,056,667</u>
Financial liabilities measured at amortised cost	<u>4,870,917</u>	<u>4,962,036</u>

Company

The company has the following basic financial instruments:

	31.03.20 £	30.04.19 £
Financial assets measured at amortised cost	<u>1,762,060</u>	<u>2,585,793</u>
Financial liabilities measured at amortised cost	<u>4,310,221</u>	<u>3,769,658</u>

Financial assets measured at amortised cost comprise cash on hand, 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.

18. PROVISIONS FOR LIABILITIES

	Group	
	31.3.20 £	30.4.19 £
Deferred tax	<u>1,050,996</u>	<u>892,771</u>
Group		
		Deferred tax
		£
Balance at 1 May 2019		892,771
Accelerated capital allowances		(12,960)
Tax effect revaluation of property		<u>171,185</u>
Balance at 31 March 2020		<u>1,050,996</u>

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.20 £	30.4.19 £
825,000	Ordinary A	£1	825,000	825,000
100	Ordinary B	£1	<u>100</u>	<u>100</u>
			<u>825,100</u>	<u>825,100</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020

20. RESERVES

Group

	Retained earnings £	Revaluation reserve £	Totals £
At 1 May 2019	1,286,524	4,468,743	5,755,267
Profit for the period	216,188	-	216,188
Dividends	(1,290,000)	-	(1,290,000)
Tax effect on revaluations	-	(171,185)	(171,185)
Depreciation transfer	422,410	(422,410)	-
At 31 March 2020	<u>635,122</u>	<u>3,875,148</u>	<u>4,510,270</u>

Company

	Retained earnings £
At 1 May 2019	(316,014)
Profit for the period	1,657,517
Dividends	<u>(1,290,000)</u>
At 31 March 2020	<u>51,503</u>

Revaluation reserve represents the surplus or deficit arising between the fair value and book value of freehold properties and deferred tax thereon.

21. 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.

There has been no change between the reporting date and date of approval of the financial statements.

22. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

At the reporting date, director Mrs P L Jackson owed the company £518,008 (2019: £504,144). At the reporting date, outstanding amount is unsecured, attracts interest, has no fixed terms of repayment and considered payable on demand.

23. RELATED PARTY DISCLOSURES

Oakhurst Court Holdings (Cayman) Limited - parent company

During the reporting period, interest payable to parent totalled £275,700 (2019: £300,000) and rent payable to parent totalled £8,250 (2019: 9,000). At the reporting date, the amount outstanding was £457,677 (2019: £34,963).

During the reporting period, dividends paid totalled £1,290,000 (2019: £nil).

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 £508,089 (2019: £514,465). At the reporting date, the amount outstanding was £908,014 (2019: £1,196,759).

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 MAY 2019 TO 31 MARCH 2020

24. POST BALANCE SHEET EVENTS

The adverse impact of Covid-19 globally, nationally and across the care home sector has been, and continues to be unprecedented. There remains significant uncertainty as to both the duration and quantum of Covid-19's effects on the company's and group's business and the extent to which the company and group may benefit financially from support from central and local government. As such, there is a wide range of potential outcomes for the company's and group's cash flows from the impact from Covid-19. The directors have considered the company's and group's current key performance indicators to identify and quantify the potential impact of Covid-19 on the company's and group's cash flows, although the actual impact could be materially different.

25. 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.

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

	Period 1.5.19 to 31.3.20 £	Year Ended 30.4.19 £
Profit before taxation	299,410	302,988
Depreciation charges	229,926	237,093
Finance costs	275,700	300,000
Finance income	(104,447)	(95,208)
	<u>700,589</u>	<u>744,873</u>
Decrease in trade and other debtors	36,356	78,399
(Decrease)/increase in trade and other creditors	(179,297)	290,253
Cash generated from operations	<u>557,648</u>	<u>1,113,525</u>

27. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Period ended 31 March 2020

	31.3.20 £	1.5.19 £
Cash and cash equivalents	<u>767,853</u>	<u>1,447,325</u>
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>

28. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.5.19 £	Cash flow £	At 31.3.20 £
Net cash			
Cash at bank and in hand	<u>1,447,325</u>	<u>(679,472)</u>	<u>767,853</u>
	<u>1,447,325</u>	<u>(679,472)</u>	<u>767,853</u>
Total	<u>1,447,325</u>	<u>(679,472)</u>	<u>767,853</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.