

Court Cavendish Healthcare Management Services Limited

Directors' report and financial statements

Year ended 28 February 2021

Company registration number: 07606160



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Directors' report

The directors present their report and the financial statements of the company for the year ended 28 February 2021.

Principal activities and review of business

The principal activities of the company during the year were the supply of management and consulting services.

The profit and loss account is set out on page 9. The profit for the financial year has been added to reserves.

The directors do not recommend the payment of a dividend (2020: £0.75 million).

Directors

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

Dr CB Patel
Mrs KA Patel
Miss CA Valenti

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the directors are aware, there is no relevant audit information of which the auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The auditors, Moore (South) LLP, were appointed on 17 June 2019 and are deemed to be reappointed under section 487(2) of the Companies Act 2006


Directors' report *(continued)*

Approval of reduced disclosures

The Company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12.

The Company has taken advantage of the small companies' exemption to not prepare a Strategic Report.

Approved by the Board of Directors and signed by order of the Board on 15 November 2021.



Catherine Valenti
Company Secretary

Riverbridge House
Guildford Road
Leatherhead
Surrey
KT22 9AD

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have prepared 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 (FRS 102). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Independent auditors' report to the members of Court Cavendish Healthcare Management Services Limited

Opinion

We have audited the financial statements of Court Cavendish Healthcare Management Limited for the year ended 28 February 2021 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity 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 FRS 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 company's affairs as at 28 February 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent auditors' report to the members of Court Cavendish Healthcare Management Services Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent auditors' report to the members of Court Cavendish Healthcare Management Services Limited (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- The engagement partner selected staff for the audit who had knowledge of the client and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.

Independent auditors' report to the members of Court Cavendish Healthcare Management Services Limited (continued)

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant from the perspective of the financial statements are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements through discussions with management and those charged with governance. We also reviewed available correspondence with regulators to identify any known instances of non-compliance or suspected non-compliance with laws and regulations.
- We assessed the risk of material misstatement in the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with the responsibility for ensuring legal and regulatory compliance is adhered to and considered the internal controls in place to mitigate identified risks. Management override of controls was identified as a significant fraud risk from our assessment.
- In addition to the possibility of management override of controls, areas considered of higher risk relating to the presentation of information in the financial statements included the recognition of revenue.
- We assessed the control environment, documenting the systems, controls and processes adopted and undertook an assessment of risks identified in designing our audit approach, which included a combination of substantive procedures involving transactions and balances and analytical review procedures. Any irregularities noted were discussed with management and those charged with governance and we obtained additional corroborative evidence as required.
- We obtained an understanding and assessed the impact of the COVID-19 pandemic on the operations of the company and group and adapted our audit approach accordingly. We enquired and obtained evidence to support the going concern assumption and dovetailed this with knowledge gained from our audit work.

In response to the risk of fraud due to management override, we;

- performed analytical procedures to identify any unusual or unexpected relationships
- tested journal entries to identify any unusual transactions
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias
- reviewed transactions with related parties, in particular the management charges and transactions with group entities and directors
- reviewed the disclosures within the financial statements to ascertain whether they meet the requirements of the financial reporting standards and relevant legislation

Independent auditors' report to the members of Court Cavendish Healthcare Management Services Limited (continued)

In response to the risk of irregularities with regards to the recognition of revenue, we:

- reviewed accounting policies adopted for consistency of application and compliance with acceptable accounting practices
- undertook analytical procedures including comparisons with expectations and prior years and budgets
- tested transactions and balances with reference to contracts and sales agreements
- Tested cut-off procedures including a review of transactions after the balance sheet date
- assessed the accuracy of reporting long term revenue streams and reviewed the assumptions adopted in valuing amounts to be accounted for

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 for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our work, for this report, or for the opinions we have formed.



Christopher Goodwin FCA (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP, Statutory Auditor
15 November 2021

Priory House, Pilgrims Court
Sydenham Road
Guildford
GU1 3RX

Profit and loss account
for the year ended 28 February 2021

	Note	2021 £'000	2020 £'000
Turnover and gross profit	2	1,339	2,025
Administrative expenses		(426)	(319)
		<hr/>	<hr/>
Profit on ordinary activities before tax	3	913	1,706
Tax on profit on ordinary activities	8	(173)	(324)
		<hr/>	<hr/>
Profit for the financial period		740	1,382
		<hr/>	<hr/>

All of the results arose from continuing operations in the current and prior year.

The Company had no items of other comprehensive income in either the current or prior year.

Balance sheet
at 28 February 2021

	Note	2021 £'000	2020 £'000
Current assets			
Debtors due within one year	9	1	108
Debtors due after more than one year	9	2,615	1,629
		<u>2,616</u>	<u>1,737</u>
Creditors: amounts falling due within one year	10	<u>(450)</u>	<u>(311)</u>
Net current assets		<u>2,166</u>	<u>1,426</u>
Net assets		<u>2,166</u>	<u>1,426</u>
Capital and reserves			
Called up share capital	11	-	-
Profit and loss account		<u>2,166</u>	<u>1,426</u>
Total shareholders' funds		<u>2,166</u>	<u>1,426</u>

The financial statements of Court Cavendish Healthcare Management Services Limited were approved by the board of directors and authorised for issue on 15 November 2021. They were signed on its behalf by:



Dr Chaitanya Patel
 Director

Statement of Changes in Equity
 for the year ended 28 February 2021

	Called-up share capital £000	Profit and loss account £000	Total £000
At 1 March 2019	-	794	794
Profit for the financial year	-	1,382	1,382
	-	2,176	2,176
Transactions with owners in their capacity as owners: Dividends paid	-	(750)	(750)
At 29 February 2020	-	1,426	1,426
	-	1,426	1,426
	-	740	740
	-	2,166	2,166
Transactions with owners in their capacity as owners: Dividends paid	-	-	-
At 28 February 2021	-	2,166	2,166
	-	2,166	2,166

Notes to the financial statements

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below. These have been applied consistently throughout the year and the previous period.

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

General information

Court Cavendish Healthcare Management Services Limited is a company limited by shares and is incorporated in England and Wales under the Companies Act. The address of the registered office is Riverbridge House, Guildford Road, Leatherhead, Surrey, KT22 9AD. The nature of the Company's operations and its principal activities are set out in the Directors' Report.

The functional currency of Court Cavendish Healthcare Management Services Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates. The financial statements have been rounded to the nearest thousand pounds.

Basis of accounting

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the requirements of the Companies Act 2006 and under the historical cost convention. The disclosure requirements of section 1A of FRS102 have been applied other than where additional disclosure is required to show a true and fair view.

Reduced disclosures

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flows and related notes and disclosures
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – 11.42 Disclosure of terms and conditions of related party debt

The financial statements of the Company are consolidated in the financial statements of Court Cavendish Limited. The consolidated financial statements are available from the registered office, Riverbridge House, Guildford Road, Leatherhead, Surrey, KT22 9AD.

Turnover

Turnover comprises fees receivable derived from the provision of services to customers net of value added tax. Turnover is recognised as the services are provided. Turnover invoiced in advance is included in deferred income until the service is provided. Turnover in respect of services provided but not yet invoiced by the period end is included within accrued income.

Notes to the financial statements (continued)

1 Accounting policies (continued)

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Post-retirement benefits

For defined contribution plans, the company pays contributions to publicly or privately administered pension insurance plans. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, to all of its financial instruments.

The Company only has basic financial instruments. They are measured initially at transaction price and subsequently at amortised cost, being the transaction price less amounts settled and any impairment losses.

Notes to the financial statements (continued)

1 Accounting policies (continued)

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

An element of revenue due on contracts is receivable on a deferred basis. The accrued element of the income has been discounted based on an estimated length of the contract of 12 years from the date of inception and a 12% cost of capital has been applied. These estimates may differ from actual results due to a variety of factors, and the assumptions are assessed regularly to ensure they remain appropriate.

2 Turnover

The turnover and profit before tax are attributable to the one principal activity of the Company. 100% (2019: 100%) of the Company's turnover was derived from markets outside the United Kingdom.

3 Profit on ordinary activities before taxation

	2021 £'000	2020 £'000
<i>Profit on ordinary activities before taxation is stated after charging</i>		
Staff pension contributions	8	8
Auditors' remuneration	3	3
	<hr/>	<hr/>

4 Dividends

	2021 £'000	2020 £'000
Dividends paid on Ordinary shares	-	750
	<hr/>	<hr/>

5 Directors' remuneration

	2021 £'000	2020 £'000
Directors' emoluments	285	199
	<hr/>	<hr/>

Retirement benefits are accruing to one (2020: one) directors of the Company under money purchase schemes.

Notes to the financial statements (continued)

6 Staff numbers and costs

	Number of employees	
	2021	2020
Average number of persons employed	5	5

7 Pension commitments

The Company pays contributions to independent publicly or privately administered pension insurance schemes. The company's pension cost for the year was £7,500 (2020: £7,500). The outstanding contribution at 28 February 2021 was £nil (2020: £nil).

8 Tax on profit on ordinary activities

	2021 £'000	2020 £'000
UK corporation tax		
Current tax charge arising in the year	173	324
Adjustment in respect of previous years		
Total current tax	173	324

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 19% (2019: 19%).

	2021 £'000	2020 £'000
Profit on ordinary activities before tax	913	1,706
At standard rate of 19% (2020: 19%)	173	324
Total current tax	173	324

Notes to the financial statements (continued)

9 Debtors

	2021 £'000	2020 £'000
<i>Due within one year</i>		
Amount owed by parent undertaking	-	108
Other debtors	1	-
	<u>1</u>	<u>108</u>
<i>Due after more than one year</i>		
Prepayments and accrued income	2,615	1,629
	<u>2,616</u>	<u>1,737</u>

10 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	4	1
Amount owed to parent undertaking	323	-
Corporation tax payable	15	219
Other taxation and social security	13	14
Accruals and deferred income	95	77
	<u>450</u>	<u>311</u>

11 Called up share capital

	2021 £	2020 £
<i>Allotted, called up and fully paid</i>		
1 ordinary share of £1 each	1	1
	<u>1</u>	<u>1</u>

Notes to the financial statements (continued)

12 Related party transactions

The company is exempt under the terms of FRS 102 Section 33 Paragraph 1A from disclosing related party transactions with the ultimate parent company.

Dr CB Patel's family trust has a 11.27% share in the members' capital of FC Skyfall Investors Parent LLC (a Delaware Limited Liability Company). During the year ended 28 February 2021, transaction and asset management fees of £1,339,000 (2020: 2,025,000) were charged to FC Skyfall Holdings SPV Ltd (a wholly owned subsidiary of FC Skyfall Investors Parent LLC which is incorporated in the Cayman Islands). As at 28 February 2021, transaction and asset management fees of £2,615,000 (2020: £1,629,000) were due from FC Skyfall Holdings SPV – this amount has been disclosed in prepayments and accrued income.

13 Ultimate parent company and ultimate controlling party

The company's parent company, which is incorporated in England and Wales, is Court Cavendish Limited. Court Cavendish Limited prepares consolidated financial statements and copies can be obtained from the registered office of Court Cavendish Limited. Court Cavendish Limited was under the control of Dr CB Patel throughout the year by virtue of his 90% interest in the issued share capital of that company.