

REGISTERED NUMBER: 07632558 (England and Wales)

CHARLTON COURT CARE HOME LIMITED

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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CHARLTON COURT CARE HOME 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:

07632558 (England and Wales)

AUDITORS:

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

BALANCE SHEET
31 MARCH 2020

	Notes	31.3.20 £	£	30.4.19 £	£
FIXED ASSETS					
Tangible assets	4		3,758,669		3,841,981
CURRENT ASSETS					
Debtors	5	115,124		682,364	
Cash at bank and in hand		<u>389,986</u>		<u>1,168,842</u>	
		505,110		1,851,206	
CREDITORS					
Amounts falling due within one year	6	<u>335,446</u>		<u>597,072</u>	
NET CURRENT ASSETS			<u>169,664</u>		<u>1,254,134</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,928,333		5,096,115
CREDITORS					
Amounts falling due after more than one year	7		(1,122,982)		(2,074,537)
PROVISIONS FOR LIABILITIES			<u>(528,145)</u>		<u>(535,760)</u>
NET ASSETS			<u>2,277,206</u>		<u>2,485,818</u>
CAPITAL AND RESERVES					
Called up share capital			2		2
Revaluation reserve	8		2,225,136		2,412,731
Retained earnings			<u>52,068</u>		<u>73,085</u>
SHAREHOLDERS' FUNDS			<u>2,277,206</u>		<u>2,485,818</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Profit & Loss account has not been delivered.

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

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

1. **STATUTORY INFORMATION**

Charlton Court Care Home 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 Company Information page.

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

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

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" including the provisions of Section 1A "Small Entities" 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

The financial statements have been prepared on the going concern basis which the directors consider to be appropriate for the following reasons.

The company meets its day to day working capital requirements from cash resources and intercompany balance with the immediate parent company. Therefore the going concern assessment of the company is dependent on that of the group as a whole. The directors have performed a going concern assessment for a period of 12 months from the date of approval of these financial statements which indicate that, taking into account of reasonably possible downsides, the company will have sufficient funds through funding from its immediate parent, Oakhurst Court Holdings Limited. The parent has indicated its intention to continue to make available such funds as are needed by the company at the balance sheet date for 12 months from the date of approval of these financial statements. As with any company placing reliance on other group companies for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

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 occupancy levels and cashflows.

Based on these indications the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

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.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company'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 that the most significant effect on the amounts recognised in the financial statements. It is deemed that there are no critical accounting judgements.

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 30 September 2019. 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.

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

2. ACCOUNTING POLICIES - continued

Turnover

Turnover represents fee income receivable from care services provided. Turnover is recognised in the year in which the company obtains the right to consideration as the services provided under contracts have been delivered and is recorded at the value of the consideration due. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors.

Turnover wholly arises within the United Kingdom.

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.

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 for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Basic financial instruments

The company 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) Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

b) Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

c) Cash at bank and in hand

Cash and cash equivalents comprise cash balances and call deposits and petty cash.

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

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the 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 balance sheet date.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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 period 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.

Pension costs

As of 1 April 2013 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 company will be required to re-enrol the employee. The company 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 company has no liability under the scheme other than for the payment of those contributions.

Contributions outstanding at the balance sheet date amounted to £3,018 (2019 - £4,816).

3. EMPLOYEES AND DIRECTORS

The average number of employees during the period was 60 (2019 - 59) .

4. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST OR VALUATION				
At 1 May 2019	4,000,000	281,103	4,000	4,285,103
Additions	-	12,468	-	12,468
At 31 March 2020	4,000,000	293,571	4,000	4,297,571
DEPRECIATION				
At 1 May 2019	193,200	245,922	4,000	443,122
Charge for period	64,400	31,380	-	95,780
At 31 March 2020	257,600	277,302	4,000	538,902
NET BOOK VALUE				
At 31 March 2020	3,742,400	16,269	-	3,758,669
At 30 April 2019	3,806,800	35,181	-	3,841,981

Included in cost or valuation of land and buildings is freehold land of £ 900,000 (2019 - £ 900,000) which is not depreciated.

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

4. **TANGIBLE FIXED ASSETS - continued**

Cost or valuation at 31 March 2020 is represented by:

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
Valuation in 2016	2,942,207	-	-	2,942,207
Cost	1,057,793	293,571	4,000	1,355,364
	<u>4,000,000</u>	<u>293,571</u>	<u>4,000</u>	<u>4,297,571</u>

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>1,057,793</u>	<u>1,057,793</u>
Aggregate depreciation	<u>146,000</u>	<u>124,204</u>
Value of land in freehold land and buildings	<u>238,000</u>	<u>238,000</u>

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

At the reporting date, the directors consider that the carrying value of freehold property to be in line with open market expectations.

5. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.20 £	30.4.19 £
Trade debtors	81,488	174,858
Amount owed by group undertaking	-	475,471
Other debtors	33,636	32,035
	<u>115,124</u>	<u>682,364</u>

6. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.20 £	30.4.19 £
Trade creditors	25,150	44,747
Taxation and social security	54,860	59,594
Other creditors	255,436	492,731
	<u>335,446</u>	<u>597,072</u>

7. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.3.20 £	30.4.19 £
Amount owed to group undertaking	<u>1,122,982</u>	<u>2,074,537</u>

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

8. **RESERVES**

	Revaluation reserve £
At 1 May 2019	2,412,731
Tax effect on revaluations	4,422
Depreciation transfer	<u>(192,017)</u>
At 31 March 2020	<u>2,225,136</u>

9. **DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Michael F Cox BSc FCA (Senior Statutory Auditor)
for and on behalf of Cox Costello & Horne

10. **RELATED PARTY DISCLOSURES**

ADL Plc
Company directors Mr W J Davies and Mrs P L Jackson are common directors in the related party.

The company has previously entered into a separate partnership agreement with the related party. During the reporting period, amount owed to the related party was £408,089 (2019: £414,465). At the reporting date, the company owed the related party £93,302 (2019: £405,093).

Outstanding amount is unsecured, attracts no interest, has no fixed terms of repayment and considered payable on demand.

11. **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 business and the extent to which the company may benefit financially from support from central and local government. As such, there is a wide range of potential outcomes for the company's cash flows from the impact from Covid-19. The directors have considered the company's current key performance indicators to identify and quantify the potential impact of Covid-19 on the company's cash flows, although the actual impact could be materially different.

12. **ULTIMATE CONTROLLING PARTY**

Charlton Court Care Home Limited is wholly owned by Oakhurst Court Holdings Limited (a private limited company incorporated in England and Wales). Oakhurst Court Holdings Limited is the largest group for which consolidated financial statements are prepared. The registered office address of Oakhurst Court Holdings Limited is c/o Woodlands Of Woolley Residential Home, Woolley, Low Moor Lane, Woolley, Wakefield, England, WF4 2LN. Copies of Oakhurst Court Holdings Limited financial statements to 31 March 2020 may be obtained from the registered office address.

The directors consider Oakhurst Court Holdings (Cayman) Limited (a company incorporated in the Cayman Islands) to be the ultimate parent company.

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

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.