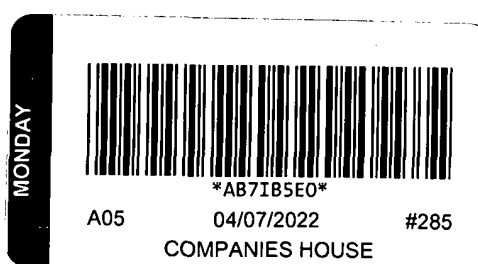


Tanglewood Care Homes Limited

Annual Report and Financial Statements

For the year ended 31 December 2021

Company Number: 07745826



Tanglewood Care Homes Limited
Annual Report and Financial Statements
For the year ended 31 December 2021

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Tanglewood Care Homes Limited

Company Information

Directors

Zoe Amy Rizzuto
Helen Jayne Wetherall

Registered Office

8th Floor
1 Fleet Place
London
EC4M 7RA

Company Secretary

LHJ Secretaries Limited
3rd Floor, Liberation House
Castle Street
St. Helier
Jersey
JE1 2LH
Channel Islands

Solicitors

Pinsent Masons LLP
30 Crown Place
Earl Street
London
EC2A 4ES
United Kingdom

Administrators

Langham Hall Fund Management (Jersey) Limited
3rd Floor, Liberation House
Castle Street
St. Helier
Jersey
JE1 2LH
Channel Islands

Auditor

BDO LLP
55 Baker Street
London
W1U 7EU
United Kingdom

Tanglewood Care Homes Limited

Strategic Report

For the year ended 31 December 2021

Principal activity

The principal activity of Tanglewood Care Homes Limited (the “**Company**”) is to act as the holding company for Tanglewood (Lincolnshire) Limited and Tanglewood Properties (Lincolnshire) Limited.

Review of business

The Company owns 100% of the shares in Tanglewood (Lincolnshire) Limited, a UK company incorporated on 7 September 1988. This subsidiary owns care home properties known as Tanglewood, Sandpiper and Toray Pines in the UK.

The Company is a member of the EHP Partners I LP group (the “**Group**”).

Key performance indicators on which performance is measured

Since the Company now acts a holding company for its subsidiaries and no longer has any trading activities there are no performance indicators on which performance is measured.

Principal risks and uncertainties

From the perspective of the Company the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately.

Governance

The Company recognises the importance of a high standard of corporate governance. The Company has adopted a robust corporate governance policy and strict compliance guidelines that are integral to all aspects of its business.

The report was approved by the board on 29 June..... 2022 and signed on its behalf by:



.....
Helen Jayne Wetherall
Director

Tanglewood Care Homes Limited

Directors' Report

For the year ended 31 December 2021

The Directors present the report together with the audited financial statements of Tanglewood Care Homes Ltd (the "Company") for the year ended 31 December 2021 and the comparative year ended 31 December 2020.

Principal activities

The Company was incorporated on 18 August 2011. The Company's principal activity is to act as a holding company.

The Company's registration number is 07745826.

The principal activity of the Company is to act as the holding company for Tanglewood (Lincolnshire) Limited and Tanglewood Properties (Lincolnshire) Limited.

Results and dividends

The total comprehensive loss for the year amounted to (£28,602) (2020: profit of £40). The Directors have not paid or declared dividends during the year (2020: £nil).

Details of the profit for the year are set out in the financial statements and the related notes on pages 10 - 14.

Directors

The following persons served as directors during the year to date of signing:

Zoe Amy Rizzuto
Helen Jayne Wetherall

Directors fees of £4,120 (2020: £17,216) were paid during the year to Langham Hall Fund Management (Jersey) Ltd in respect of Zoe Amy Rizzuto and Helen Jayne Wetherall.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare consolidated financial statements for each financial year. Under that law, the Directors have elected to prepare the consolidated financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 Statement of Comprehensive Income of the Company for that year.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 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 to 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.

This report was approved by the Board of Directors and signed on its behalf by:



.....
Helen Jayne Wetherall

Director

Date: 29 June 2022

Tanglewood Care Homes Limited

Independent Auditor's report

For year ended 31 December 2021

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profits for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Tanglewood Care Homes Limited ("the Parent Company") for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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 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.

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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- applicable legal requirements.

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 Directors' report.

Tanglewood Care Homes Limited

Independent Auditor's report

For year ended 31 December 2021

Other Companies Act 2006 reporting (continued)

We have nothing to report in respect of the following matters in relation to which 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. ;or
- the Directors were not entitled to prepare the financial statements in accordance with the small company's regime and take advantage of the small companies' exemptions in preparing the Directors' report

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 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

Our procedures included agreeing the financial statement disclosures to underlying supporting documentation where relevant, review of Board meeting minutes, enquiries with management as to the risks of non-compliance and any instances thereof. Challenging assumptions and judgements made by management in their significant accounting estimates. In response to the risk of management override of controls we identified and tested journal entries, in particular any journal entries posted with unusual account combinations including unusual or unexpected journal postings to the income statement.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Tanglewood Care Homes Limited

Independent Auditor's report

For year ended 31 December 2021

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 an auditor's report 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.

DocuSigned by:

Geraint Jones

BFDD86955DB642A...

Geraint Jones (Senior statutory auditor)

For and on behalf of BDO LLP, Statutory auditor,
London, United Kingdom

Date 29 June 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Tanglewood Care Homes Limited
Statement of Comprehensive Income
For the year ended 31 December 2021

		Year ended 31 Dec 2021	Year ended 31 Dec 2020
	Note	Total £	Total £
Income	3	-	294
Gross profit		-	294
Expenses			
Administrative and other expenses	4	(28,602)	(40,006)
Loss for the year before tax		(28,602)	(39,712)
Taxation (charge)/credit	5	-	39,752
Total comprehensive (loss)/profit for the year		(28,602)	40

The accompanying notes on pages 10 to 14 form part of the consolidated financial statements

Tanglewood Care Homes Limited

Company Number: 07745826

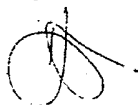
Statement of Financial Position

As at 31 December 2021

	Note	As at 31 Dec 2021 £	As at 31 Dec 2020 £
Assets			
Non-current assets			
Investment in subsidiary	6	13,392,681	13,392,681
Total non-current assets		13,392,681	13,392,681
Current assets			
Trade and other receivables	7	-	2,088
Current tax asset		69,759	40,842
Total current assets		69,759	42,930
Total assets		13,462,440	13,435,611
Liabilities			
Current liabilities			
Trade and other payables	8	10,082,923	10,027,492
Total current liabilities		10,082,923	10,027,492
Total net assets		3,379,517	3,408,119
Equity			
Share capital	9	100	100
Share premium	10	7,287,193	7,287,193
Capital contribution reserve	11	560	560
Retained earnings		(3,908,336)	(3,879,734)
Total equity		3,379,517	3,408,119

These financial statements have been prepared and delivered in accordance with FRS 102 'The Financial Reporting Standards applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 29 June 2022 and are signed on behalf of the board by:



.....
Helen Jayne Wetherall
Director

The accompanying notes on pages 10 to 14 form part of the consolidated financial statements

Tanglewood Care Homes Limited
Statement of Changes in Equity
For the year ended 31 December 2021

	Note	Share capital £	Share premium £	Capital contribution reserve £	Retained earnings £	Total equity £
Balance as at 1 January 2020		100	7,287,193	-	(3,879,774)	3,407,519
Total comprehensive income		-	-	-	40	40
Capital contribution reserve	11	-	-	560	-	560
Balance as at 31 December 2020		100	7,287,193	560	(3,879,734)	3,408,119
Balance as at 1 January 2021		100	7,287,193	-	(3,879,774)	3,408,119
Total comprehensive loss		-	-	-	(28,602)	(28,602)
Balance as at 31 December 2021		100	7,287,193	560	(3,908,336)	3,379,517

The accompanying notes on pages 10 to 14 form part of the financial statements

Tanglewood Care Homes Limited

Notes to the Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 General information

The financial statements of Tanglewood Care Homes Limited (the "**Company**") for the year ended 31 December 2021 were authorised for issue by the Board of Directors on~~29 June~~ 2022.

The Company is a registered private company incorporated in the England and Wales with registration number 07745826. The address for the registered office is 8th Floor, 1 Fleet Place, London, England, EC4M 7RA. The Company's principal activity is to own, and rent out on a long lease, care homes with the view to delivering rental income and achieving long term capital growth.

The Company is a member of the EHP Partners I LP group which comprises of EHP Partners I LP and its subsidiaries (the "**Group**").

These financial statements represent the separate financial statements of the Company.

1.2 Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements ("**FRS 100**") and Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland ("**FRS 102**"). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, which have been measured at fair value through the Statement of Comprehensive Income, and in accordance with the Companies Act 2006.

The financial statements are prepared on a going concern basis.

The financial statements have been prepared on a standalone basis as the entity met the requirements to qualify as a small company for two consecutive years.

The Company is a member of the EHP Partners I LP group which comprises of EHP Partners I LP and its subsidiaries (the "**Group**").

The Company has taken advantage of the small companies' exemption which is permissible under FRS 102 Section 1A and have not provided a Statement of Cash Flow.

1.3 Going concern

The main risk to the Company is that it is unable to pay its expenses as they fall due. At the reporting date the Company has net current liabilities of £10,082,923 (2020: £10,027,492) which is all due to amounts owed to group undertakings. It is expected that the group of which the Company is a member will continue to provide financial support for the foreseeable future and for at least 12 months from the date of signing these accounts. The Directors have therefore prepared these accounts on a going concern basis."

2. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below.

- **Currency**

The Company financial information is presented in Sterling (£) which is also the Company's functional currency and values are rounded to the nearest £ except where indicated otherwise.

- **Rental income**

Rental income from investment property is recognised on a straight-line basis over the expected term of ongoing leases. Lease incentives and step rents with minimum uplifts are spread evenly over the expected lease term.

Tanglewood Care Homes Limited

Notes to the Financial Statements

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

- **Taxation**

Taxation on the profit or loss for the year is comprised of current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised as direct movement in equity, in which case it is recognised as a direct movement in equity. Current tax is expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax that is provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

- **Trade and other receivables**

Trade and other receivables are amounts due in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are initially recognised at fair value, and subsequently where necessary re-measured at amortised cost less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence the Company will not be able to collect all amounts due in accordance with the original terms of the receivables. Balances are written off to the Statement of Comprehensive Income when the probability of recovery is assessed as being remote.

- **Trade and other payables**

Trade and other payables are classified as current liabilities if payment is due within one year or less from the end of the current accounting year. If not, they are presented as non-current liabilities. Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost until settled.

3. REVENUE

	Year ended 31 Dec 2021	Year ended 31 Dec 2020
	£	£
Other income	-	294
	<u>-</u>	<u>294</u>

4. ADMINISTRATIVE AND OTHER EXPENSES

	Year ended 31 Dec 2021	Year ended 31 Dec 2020
	£	£
Legal and professional fees	8,442	17,506
Accounting fees	9,815	11,636
Administration fees	6,225	10,864
Other expenses	4,120	-
	<u>28,602</u>	<u>40,006</u>

Tanglewood Care Homes Limited

Notes to the Financial Statements

5. TAXATION

	Year ended 31 Dec 2021 £	Year ended 31 Dec 2020 £
Current tax charge/(credit)		
Corporation tax on profits for the year	23,168	(39,752)
Total tax charge/(credit)	23,168	(39,752)

The reasons for the difference between the actual tax charge for the year and the standard rate of income tax in the UK applied to profits for the year are as follows:

	Year ended 31 Dec 2021 £	Year ended 31 Dec 2020 £
Profit/(loss) before tax	(28,602)	(39,712)
Tax at UK corporation tax standard rate of 19%	(5,434)	(7,545)
Effects of:		
Losses not recognised	5,434	7,545
Prior year adjustment	-	(39,752)
Total tax expense	-	(39,752)

Taxation on the profit or loss for the period not exempt under UK REIT regulation comprises current and deferred tax. Current tax is expected tax payable or any non-REIT taxable income for the period, using tax rates enacted or substantively enacted at the period end date, and any adjustments to tax payable in respect of previous years.

6. INVESTMENT IN SUBSIDIARY

	As at 31 Dec 2021 £	As at 31 Dec 2020 £
Opening balance	13,392,681	13,392,121
Additions during the year	-	560
Closing balance	13,392,681	13,392,681

7. TRADE AND OTHER RECEIVABLES

	As at 31 Dec 2021 £	As at 31 Dec 2020 £
Recoverable VAT	-	2,088
	-	2,088

8. TRADE AND OTHER PAYABLES

	As at 31 Dec 2021 £	As at 31 Dec 2020 £
Amounts owed to group undertakings	10,082,923	10,027,492
	10,082,923	10,027,492

Tanglewood Care Homes Limited

Notes to the Financial Statements

9. SHARE CAPITAL

	As at 31 Dec 2021 £	As at 31 Dec 2020 £
Authorised		
100,000 Ordinary Shares of £0.001 each	100	100
Issued and fully paid:		
100,000 Ordinary Shares of £0.001 each	100	100

Share capital represents the nominal value of the capital subscribed for.

10. SHARE PREMIUM

The share premium relates to amounts subscribed for share capital in excess of the nominal value net of directly attributable share issue costs.

	As at 31 Dec 2021 £	As at 31 Dec 2020 £
Opening balance	7,287,193	7,287,193
Closing balance	7,287,193	7,287,193

11. CAPITAL CONTRIBUTION RESERVE

The capital contribution reserve relates to the capital contributed by EHP BottomCo II Limited during the year for no consideration.

	As at 31 Dec 2021 £	As at 31 Dec 2020 £
Opening balance	560	-
Capital contribution during the year	-	560
Closing balance	560	560

12. POST BALANCE SHEET EVENTS

No significant events have occurred after 31 December 2021 to the date the Directors approved the financial statements.

13. CONTINGENCIES AND COMMITMENTS

There were no contingent liabilities as at 31 December 2021.

14. RELATED PARTY DISCLOSURES

As at 31 December 2021, included in trade and other payables is an interest free loan amount of £46,730 (2020: £46,730) owed by the Company to EHP MidCo Limited, a company registered in Jersey. EHP BottomCo II Limited is wholly owned by EHP MidCo Limited. The interest free loan amount is repayable on demand.

As at 31 December 2021, included in trade and other payables is an interest free loan amount of £86,473 (2020: £32,442) owed by the Company to EHP BottomCo II Limited, a company registered in Jersey. EHP BottomCo II Limited is owned by EHP MidCo Limited. The interest free loan amount is repayable on demand.

As at 31 December 2021, included in trade and other payables is an interest free loan amount of £9,948,319 (2020: £9,948,319) owed by the Company to Tanglewood (Lincolnshire) Limited, a company registered in Jersey. Tanglewood (Lincolnshire) Limited is owned by EHP BottomCo II Limited. The interest free loan amount is repayable on demand.

Directors fees of £4,120 (2020: £17,216) were paid during the year to Langham Hall Fund Management (Jersey) Ltd in respect of Zoe Amy Rizzuto and Helen Jayne Wetherall.

Tanglewood Care Homes Limited

Notes to the Financial Statements

15. ULTIMATE CONTROLLING PARTY

The Company is wholly owned by its immediate parent EHP BottomCo II Limited, a company incorporated in Jersey. There is no ultimate controlling party.