

Registered number: 09369545

Hollyblue Healthcare (St. Georges) Limited

Directors' report and audited financial statements

For the year ended 31 December 2017



THURSDAY



Hollyblue Healthcare (St. Georges) Limited

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Hollyblue Healthcare (St. Georges) Limited

Company information

Directors	M C Glowasky P A Smith
Registered number	09369545
Registered office	11th Floor Two Snowhill Birmingham West Midlands England B4 6WR
Independent auditor	BDO LLP 4 Atlantic Quay 70 York Street Glasgow G2 8JX

Hollyblue Healthcare (St. Georges) Limited

Directors' report For the year ended 31 December 2017

The directors presents their report and the audited financial statements of Hollyblue Healthcare (St. Georges) Limited ("the company") for the year ended 31 December 2017.

Principal activity and review of the business

The principal activity of the company continued to be that of an investment property company operating in the care sector.

Results

The loss for the year after taxation, amounted to £1,743,880 (2016: £332,601), after exceptional items of £1,863,000 were deducted (2016 - £437,000) (as disclosed in note 5).

Post balance sheet events

In May 2018 the tenant of the carehome went into administration. The directors are utilising the rent deposit as revenue in the short term while they consider their strategy for going forward. This will involve consideration of the options of finding a new tenant, operating the asset or selling the asset. The parent entity have provided further funding since the year end to assist with cash flow.

Directors

The directors who served the company during the year and up to the date of approval of this report were:

M C Glowasky
P A Smith (appointed 26 March 2018)

Disclosure of information to the auditor

The directors at the time when this Directors' report is approved have confirmed that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware, and
- they have taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Independent auditor

The auditor, BDO LLP, has indicated its willingness to continue in office and a resolution concerning its re-appointment will be put to the directors at the board meeting approving these financial statements.

Hollyblue Healthcare (St. Georges) Limited

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by sections 414B and 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



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M C Glowasky
Director

Date: 20 June 2018

Hollyblue Healthcare (St. Georges) Limited

Directors' responsibilities statement
For the year ended 31 December 2017

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, 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 profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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.

The directors 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.

Hollyblue Healthcare (St. Georges) Limited

Independent auditor's report to the members of Hollyblue Healthcare (St. Georges) Limited For the year ended 31 December 2017

Opinion

We have audited the financial statements of Hollyblue Healthcare (St. Georges) Limited ("the company") for the year ended 31 December 2017 which comprise the Statement of comprehensive income, the 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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

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 company'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 Directors' report. 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Hollyblue Healthcare (St. Georges) Limited

Independent auditor's report to the members of Hollyblue Healthcare (St. Georges) Limited For the year ended 31 December 2017

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 Directors' report.

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 companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement, 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.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

BDO LLP
Martin Gill (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor
Glasgow, United Kingdom

Date:

20 June 2018

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

Hollyblue Healthcare (St. Georges) Limited

Statement of comprehensive income For the year ended 31 December 2017

	Note	2017 £	2016 £
Turnover	4	322,448	313,682
Cost of sales		(10,529)	(10,899)
Gross profit		311,919	302,783
Administrative expenses including revaluation loss on investment properties	5	(1,935,366)	(482,300)
Operating loss	5	(1,623,447)	(179,517)
Interest payable and similar charges	7	(81,776)	(110,588)
Loss before taxation		(1,705,223)	(290,105)
Tax on loss	8	(38,657)	(42,496)
Loss for the year		(1,743,880)	(332,601)
Other comprehensive income		-	-
Total comprehensive income for the year		(1,743,880)	(322,601)

The notes on pages 9 to 17 form part of these financial statements.

Hollyblue Healthcare (St. Georges) Limited
Registered number: 09369545

Statement of financial position
As at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Investment property	9	700,000	2,563,000
Current assets			
Debtors: amounts falling due within one year	10	29,892	27,605
Cash and cash equivalents	11	77,243	127,057
		107,135	154,662
Creditors: amounts falling due within one year	12	(97,294)	(121,941)
Net current assets		9,841	32,721
Total assets less current liabilities		709,841	2,595,721
Creditors: amounts falling due after more than one year	13	(2,667,000)	(2,667,000)
Net liabilities		(1,957,159)	(71,279)
Capital and reserves			
Called up share capital	18	73	73
Share premium account		339,241	481,241
Retained earnings		(2,296,473)	(552,593)
Total equity		(1,957,159)	(71,279)

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS102 section 1A – small companies.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


M C Glowasky
 Director

Date: *20 June 2018*

The notes on pages 9 to 17 form part of these financial statements.

Hollyblue Healthcare (St. Georges) Limited

Statement of changes in equity For the year ended 31 December 2017

	Called up share capital £	Share premium account £	Retained earnings £	Total equity £
At 1 January 2016	73	632,237	(169,986)	462,324
Loss for the year	-	-	(332,601)	(332,601)
Share premium reduction	-	(150,996)	-	(150,996)
Dividends declared	-	-	(50,006)	(50,006)
At 31 December 2016	73	481,241	(552,593)	(71,279)
Loss for the year	-	-	(1,743,880)	(1,743,880)
Share premium reduction	-	(142,000)	-	(142,000)
At 31 December 2017	73	339,241	(2,296,473)	(1,957,159)

The notes on pages 9 to 17 form part of these financial statements.

Hollyblue Healthcare (St. Georges) Limited

Notes to the financial statements For the year ended 31 December 2017

1. General information

Hollyblue Healthcare (St. Georges) Limited is a limited company incorporated and domiciled in England and Wales. The address of its registered office is 11th Floor, Two Snowhill, Birmingham, West Midlands, B4 6WR.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of freehold investment property measured at fair value through the statement of comprehensive income, and in accordance with Financial Reporting Standard 102 ("FRS102"), "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and the Companies Act 2006, as applicable to the small companies regime.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (note 3).

The presentational currency is pound sterling.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

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.

2.3 Going concern

The financial statements are prepared on a going concern basis. In May 2018 the tenant of the care home went into administration. The directors are utilising the rent deposit as revenue in the short term while they consider their strategy for going forward. This will involve consideration of the options of finding a new tenant, operating the asset or selling the asset. The parent entity have provided further funding since the year end to assist with cash flow. The funder has confirmed to the directors its intention to continue to support the company for the foreseeable future.

Consequently the directors believe it is appropriate to continue to prepare the financial statements on a going concern basis.

2.4 Turnover

Turnover, comprised of rental income, is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Notes to the financial statements
For the year ended 31 December 2017

2.5 Investment property

Investment property is carried at fair value determined annually by the directors on the basis of reports compiled by external valuers. These reports provide both a market value and range of values around this with a 5% sensitivity. These are derived from the current market rents and investment property yields for comparable real estate, and are adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

2.6 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 subsequently measured at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.8 Financial instruments

Financial assets

Basic financial instruments, including trade and other debtors and cash and bank balances, are initially recognised at transaction price, less any impairment.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

Financial liabilities

Financial liabilities, including trade and other payables, and loans from related parties are initially recognised at transaction price, less any impairment.

Financial liabilities that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment gain is recognised in the Statement of comprehensive income.

Other financial liabilities, including derivative financial instruments are recognised at fair value using a valuation technique with any gains or losses being reported in profit or loss. Outstanding derivatives at reporting date are included under the appropriate format heading depending on the nature of the derivative.

Notes to the financial statements (continued)
For the year ended 31 December 2017

2.9 Creditors

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

2.10 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the period in which they are incurred.

2.12 Taxation

Tax is recognised in the Statement of comprehensive income and is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

2.13 Operating leases

Leases of investment properties where the company retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised as profit or loss on a straight-line basis over the lease term.

Hollyblue Healthcare (St. Georges) Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In applying the company's accounting policies, the directors may be required to make judgements and estimates that could impact the amounts reported for assets and liabilities as at the Statement of financial position date and the amounts reported for revenue and expenses during the year.

The directors have not been required to use a significant degree of judgement in determining the timing and value of amounts recognised in the financial statements, other than that relating to the valuation of the investment properties. Their fair value is determined annually by the directors on information provided by quarterly valuations made by Colliers International, the company's independent property advisers. The reports provide both a market value and range of values around this with a 5% sensitivity and are derived from the current market rents and investment property yields for comparable real estate. Consideration is also taken by the directors of the volatility of the market from quarter to quarter and any other matters of which they are aware.

The directors are not aware of any significant sources of estimation uncertainty in the preparation of the financial statements.

4. Turnover

The whole of the turnover is attributable to the principal activity of the company being that of an investment property company operating in the care sector.

All turnover arose within the United Kingdom.

5. Operating loss

	2017 £	2016 £
The operating loss is stated after charging:		
Loss on revaluation of investment property	1,863,000	437,000
Fees payable to the company's auditor for the audit of the company's annual financial statements	2,275	4,300

6. Employees

The company has no employees. The company had one director in the year, who did not receive any direct remuneration from this company.

Hollyblue Healthcare (St. Georges) Limited

Notes to the financial statements (continued)
For the year ended 31 December 2017

7. Interest payable and similar charges

	2017 £	2016 £
Bank loan interest payable	79,810	84,851
Interest payable on swap derivatives	10,155	3,865
Total interest expense on financial liabilities not measured at fair value through the Statement of comprehensive income	89,965	88,716
(Profits)/losses on derivative financial instruments measured at fair value	(8,189)	21,872
Total interest payable and similar charges	81,776	110,588

Hollyblue Healthcare (St. Georges) Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

8. Tax on loss

	2017 £	2016 £
Current tax		
Current tax	31,352	-
Adjustment in respect of previous periods	7,305	-
	38,657	-
Deferred tax		
Origination and reversal of timing differences	-	42,496
	38,657	42,496
Tax on profit or loss		
	38,657	42,496

Factors affecting tax charge for the year

The tax assessed for the year is greater than (2016: greater than) the standard rate of corporation tax in the UK of 19.25% (2016: 20%). The re-calculation is below:

	2017 £	2016 £
Loss before tax	(1,705,223)	(290,105)
Loss multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20%)	(328,225)	(58,021)
Effects of:		
Deferred tax arising on unused tax losses	-	9,154
Expenses not deductible	359,607	-
Adjustment in respect of previous periods	7,305	-
Effects of group relief/other reliefs	-	(29,380)
Tax rate changes	-	120,743
	38,657	42,496

The corporation tax rate in the United Kingdom fell to 19% from 1 April 2018 and to 17% from 1 April 2020. The reduction to 19% was part of the Finance (No 2) Act 2015, which received Royal Assent on 18 November 2015. The reduction to 17% was announced in the 2016 Finance Bill and replaced a reduction to previous 18% that was part of the Finance (No 2) Act 2015.

The loss on revaluation of £2,466,713 (2016: £606,713) could give rise to a potential deferred tax asset of £419,341 (2016: £102,631), which can only be utilised when there are sufficient capital gains against which the loss can be offset. At this point it is uncertain that there will be sufficient capital gains for this loss to be offset.

Hollyblue Healthcare (St. Georges) Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

9. Investment property

Valuation	Freehold investment property £
At 1 January 2017	2,563,000
Revaluation	(1,863,000)
At 31 December 2017	700,000

The 2017 valuations are based on the directors valuations, which are driven from quarterly valuations made by Colliers International, the company's independent property advisers, on an open market value for existing use basis. These reports provide the basis for an assessment to be made of the volatility of this market quarter to quarter. The directors also take into account any other factors of which they are aware, such as the circumstances disclosed in note 21. The historic cost of the investment properties is as follows:

	2017 £	2016 £
Historic cost	3,000,000	3,000,000
Capitalised purchase costs	166,713	166,713
	3,166,713	3,166,713

10. Debtors: amounts falling due within one year

	2017 £	2016 £
Other debtors	26,830	25,940
Prepayments and accrued income	3,062	1,665
	29,892	27,605

11. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	77,243	127,057

Hollyblue Healthcare (St. Georges) Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

12. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	1,350	5,101
Amounts due to group undertakings	734	39,996
Other creditors	18,099	18,249
Corporation tax	24,367	-
Swap derivative	13,683	21,872
Accruals and deferred income	39,061	36,723
	<u>97,294</u>	<u>121,941</u>

Amounts due to group undertakings are interest free and repayable on demand.

13. Creditors: amounts falling due after more than one year

	2017 £	2016 £
Bank loan	<u>2,667,000</u>	<u>2,667,000</u>

Secured loans

The bank loan is secured by a fixed charge and floating charges over the assets of the company. Interest is charged at LIBOR plus 2.65% on the initial draw-down amount. The loan is repayable in full on 31 March 2022.

14. Loans

Analysis of the maturity of loans is given below:

	2017 £	2016 £
Amounts falling due in 2-5 years		
Bank loan	<u>2,667,000</u>	<u>2,667,000</u>

Hollyblue Healthcare (St. Georges) Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

15. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost, being other debtors	26,830	25,940
Financial liabilities		
Financial liabilities measured at amortised cost, being trade creditors, accruals, other creditors and loans and amounts due to group undertakings	2,703,330	2,744,892
Financial liabilities measured at fair value through the profit and loss, being swap derivatives	13,683	21,872
Total financial liabilities	2,717,013	2,766,764

Derivative financial instruments - Interest rate swaps

The company has entered into an interest swap to receive interest at LIBOR, and pay interest at a fixed rate of 0.725%. The swap is based on the principal amount of the company's bank loan facilities of £2,391,000, and matures on 28 October 2020. During the year, the company extended this interest swap to 31 March 2022, at a fixed rate of 1.3275%, effective from 28 October 2020.

The instrument is used to hedge the company's exposure to interest rate movements on the bank loan facility. The hedging arrangement fixes the total interest payable on the bank loan to 3.375% until 28 October 2020 and 3.9775% thereafter until 31 March 2022. The fair value of the interest swaps at the date of the Statement of financial position is £13,683 (2016: £21,872).

16. Contingent liabilities

The bank loans are secured by a composite guarantee between the following companies, Hollyblue Healthcare (Chorley & Norton Lees) Limited, Hollyblue Healthcare (Haslingden) Limited, Hollyblue Healthcare (Countrywide) Limited, Hollyblue Healthcare (Red Hill) Limited and and Butterfly Cumbria Properties Limited, to the value of £20,073,000.

Hollyblue Healthcare (St. Georges) Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

17. Operating lease arrangements

The company as a lessor

As at 31 December 2017 the company had contracted with tenants for future minimum lease payments under non-cancellable operating leases of:

	2017 £	2016 £
Not later than 1 year	321,964	311,275
Later than 1 year and not later than 5 years	1,287,856	1,245,100
Later than 5 years	6,256,687	6,360,244
	<u>7,866,507</u>	<u>7,916,619</u>

18. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
7,323 (2016: 7,323) Ordinary shares of £0.01 each	<u>73</u>	<u>73</u>

On 23 October 2017, a resolution was passed to reduce the company's share premium by £142,000.

No dividends were proposed for the year ended 31 December 2017 (2016: £50,006).

19. Related party transactions

As a wholly owned subsidiary undertaking, the company has taken advantage of the exemption in paragraph 33.1A of FRS 102 from disclosing transactions with other group companies that are wholly owned within the group.

20. Controlling party

The company's immediate parent undertaking is Monarch Property Holdings I S.A.R.L., a company registered in Luxembourg.

The company's ultimate controlling party is Monarch Master Funding Limited, a company registered in the Cayman Islands.

Hollyblue Healthcare (St. Georges) Limited

Notes to the financial statements (continued)
For the year ended 31 December 2017

21. Post balance sheet events

In May 2018 the tenant of the care home went into administration. The directors are utilising the rent deposit as revenue in the short term while they consider their strategy for going forward. This will involve consideration of the options of finding a new tenant, operating the asset or selling the asset. The parent entity have provided further funding since the year end to assist with cash flow.