

Company Registration No. 11168111.(England and Wales)

NATIONAL NEUROLOGICAL SERVICES LTD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 MARCH 2021

PAGES FOR FILING WITH REGISTRAR



NATIONAL NEUROLOGICAL SERVICES LTD

COMPANY INFORMATION

Directors	Mr J Allen	
	Mr F Lalani	
	Mrs K Lewis	
	Mr J Mawji	
	Mr D Rowe-Bewick	
	Mr M Cleasby	(Appointed 1 September 2020)
	Mr M Ranson	(Appointed 1 September 2020)
	Mrs C Leake	(Appointed 26 August 2021)

Company number 11168111

Registered office Suite 22 The Globe Centre
St James Square
Accrington
Lancashire
BB5 0RE

Auditor UHY Hacker Young
Quadrant House
4 Thomas More Square
London
E1W 1YW

NATIONAL NEUROLOGICAL SERVICES LTD

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NATIONAL NEUROLOGICAL SERVICES LTD**BALANCE SHEET****AS AT 30 MARCH 2021**

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	3	7,678,278		7,688,745	
Current assets					
Debtors	4	1,398,525		1,291,810	
Cash at bank and in hand		55,918		2,094	
		1,454,443		1,293,904	
Creditors: amounts falling due within one year	5	(3,010,505)		(3,174,022)	
Net current liabilities		(1,556,062)		(1,880,118)	
Total assets less current liabilities		6,122,216		5,808,627	
Provisions for liabilities		(843,683)		(487,188)	
Net assets		5,278,533		5,321,439	
Capital and reserves					
Called up share capital	6	1		1	
Revaluation reserve		4,416,900		4,518,584	
Profit and loss reserves		861,632		802,854	
Total equity		5,278,533		5,321,439	

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 12 May 2022 and are signed on its behalf by:



Mr D Rowe-Bewick
Director

Company Registration No. 11168111

NATIONAL NEUROLOGICAL SERVICES LTD

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 MARCH 2021**

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£
Balance at 31 March 2019	1	-	323,699	323,700
Year ended 30 March 2020:				
Profit for the year	-	-	419,112	419,112
Other comprehensive income:				
Revaluation of tangible fixed assets	-	5,061,439	-	5,061,439
Tax relating to other comprehensive income	-	(482,812)	-	(482,812)
Total comprehensive income for the year	-	4,578,627	419,112	4,997,739
Transfers	-	(60,043)	60,043	-
Balance at 30 March 2020	1	4,518,584	802,854	5,321,439
Year ended 30 March 2021:				
Loss and total comprehensive income for the year	-	-	(42,906)	(42,906)
Transfers	-	(101,684)	101,684	-
Balance at 30 March 2021	1	4,416,900	861,632	5,278,533

NATIONAL NEUROLOGICAL SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 MARCH 2021

1 Accounting policies

Company information

National Neurological Services Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Suite 22 The Globe Centre, St James Square, Accrington, Lancashire, BB5 0RE.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

In the annual review of the company's going concern, the Directors have considered the long term impact of the ongoing coronavirus, COVID-19, pandemic. During the pandemic, the Government provided additional assistance to the Care Sector to ensure continuity of service and this has continued beyond the end of the financial year. The Directors are comforted that central and local Governments have continued to support the sector for the duration of the pandemic. Since the end of the financial year, the economy has continued to recover to pre-pandemic levels. As such, the Directors do not consider the COVID-19 pandemic to present a risk to the going concern status of the Company.

1.3 Turnover

Turnover represents net invoiced fees to residents and is recognised in the period of residence.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% on cost
Plant and equipment	Enter depreciation rate via StatDB - cd76
Fixtures and fittings	20% reducing balance
Computers	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

NATIONAL NEUROLOGICAL SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2021

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 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.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

NATIONAL NEUROLOGICAL SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 MARCH 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

NATIONAL NEUROLOGICAL SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 MARCH 2021

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

NATIONAL NEUROLOGICAL SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 MARCH 2021

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	118	122

3 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost or valuation					
At 31 March 2020	7,626,558	-	199,862	3,197	7,829,617
Additions	39,097	979	210,683	945	251,704
Other changes	(44,798)	-	-	-	(44,798)
At 30 March 2021	7,620,857	979	410,545	4,142	8,036,523
Depreciation and impairment					
At 31 March 2020	93,703	-	46,933	236	140,872
Depreciation charged in the year	152,873	127	63,030	1,343	217,373
At 30 March 2021	246,576	127	109,963	1,579	358,245
Carrying amount					
At 30 March 2021	7,374,281	852	300,582	2,563	7,678,278
At 30 March 2020	7,532,855	-	152,929	2,961	7,688,745

Freehold land and buildings were revalued at 31 January 2019 by Cushman & Wakefield who are not connected with the company. The freehold land and buildings were valued at £7.49m. The valuation was made on an open market basis and was based on recent market transactions on arm's length terms for similar properties.

The directors do not consider the market value of the freehold land and buildings as at 30 March 2021 to be materially different from the carrying value at the balance sheet date.

NATIONAL NEUROLOGICAL SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 MARCH 2021

3 Tangible fixed assets	(Continued)	
	2021 £	2020 £
Cost	2,559,417	2,565,119
Accumulated depreciation	(92,857)	(41,668)
Carrying value	<u>2,466,560</u>	<u>2,523,451</u>
4 Debtors	2021 £	2020 £
Amounts falling due within one year:		
Amounts owed by group undertakings	963,096	862,207
Other debtors	1	1
Prepayments and accrued income	<u>435,174</u>	<u>428,530</u>
	1,398,271	1,290,738
Deferred tax asset	<u>254</u>	<u>1,072</u>
	<u>1,398,525</u>	<u>1,291,810</u>
5 Creditors: amounts falling due within one year	2021 £	2020 £
Trade creditors	141,019	112,923
Amounts owed to group undertakings	2,536,227	2,473,660
Corporation tax	43,814	118,105
Other taxation and social security	61,069	54,450
Other creditors	182,781	145,414
Accruals and deferred income	<u>45,595</u>	<u>269,470</u>
	<u>3,010,505</u>	<u>3,174,022</u>

NATIONAL NEUROLOGICAL SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2021

6 Called up share capital

	2021	2020	2021	2020
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary share of £1 each	1	1	1	1
	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

7 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Marc Waterman and the auditor was UHY Hacker Young.

8 Financial commitments, guarantees and contingent liabilities

The company has provided a security to AIB Group (UK) PLC on behalf of its immediate parent company, National Care Group Ltd for its liabilities of £17,312,750 (2020 - £18,619,750) by way of fixed and floating charges over the assets of the company.

9 Parent company

The immediate parent company is National Care Group Ltd and the ultimate parent company is National Care Group Holdings Limited, both companies are registered in England and Wales, and controlled by the directors.

National Care Group Holdings Limited prepares group financial statements and copies can be obtained from Companies House.