

**RENOVO SOUTH NEWTON LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 OCTOBER 2020 TO 31 DECEMBER 2021**

Hazlewoods LLP
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Renovo South Newton Limited

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Renovo South Newton Limited

Company Information

Directors	A B Clegg P Kinsey C B Richards
Registered office	2 Merchants Drive Parkhouse Carlisle CA3 0JW
Auditors	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

Renovo South Newton Limited**(Registration number: 12408818)****Balance Sheet as at 31 December 2021**

		31 December 2021	Unaudited 30 September 2020
	Note	£	£
Fixed assets			
Tangible assets	<u>4</u>	<u>176,201</u>	<u>34,098</u>
Current assets			
Debtors	<u>5</u>	<u>403,885</u>	<u>22,963</u>
Cash at bank and in hand		<u>50,538</u>	<u>-</u>
		<u>454,423</u>	<u>22,963</u>
Creditors: Amounts falling due within one year	<u>6</u>	<u>(5,097,195)</u>	<u>(1,085,665)</u>
Net current liabilities		<u>(4,642,772)</u>	<u>(1,062,702)</u>
Net liabilities		<u>(4,466,571)</u>	<u>(1,028,604)</u>
Capital and reserves			
Called up share capital		<u>1</u>	<u>1</u>
Profit and loss account		<u>(4,466,572)</u>	<u>(1,028,605)</u>
Total equity		<u>(4,466,571)</u>	<u>(1,028,604)</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 30 September 2022 and signed on its behalf by:

C B Richards
Director

Renovo South Newton Limited

Notes to the Financial Statements for the Period from 1 October 2020 to 31 December 2021

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

2 Merchants Drive
Parkhouse
Carlisle
CA3 0JW

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Judgements and estimation uncertainty

These financial statements do not contain any significant judgements or estimation uncertainty.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Furniture, fittings and equipment	25% straight line

Notes to the Financial Statements for the Period from 1 October 2020 to 31 December 2021

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Renovo South Newton Limited

Notes to the Financial Statements for the Period from 1 October 2020 to 31 December 2021

3 Staff numbers

The average number of persons employed by the company (including directors) during the period, was as follows:

	1 October 2020 to 31 December 2021 No.	Unaudited 17 January 2020 to 30 September 2020 No.
Average number of employees	54	27

4 Tangible assets

	Furniture, fittings and equipment £
Cost	
At 1 October 2020	35,994
Additions	193,041
At 31 December 2021	229,035
Depreciation	
At 1 October 2020	1,896
Charge for the period	50,938
At 31 December 2021	52,834
Carrying amount	
At 31 December 2021	176,201
At 30 September 2020	34,098

5 Debtors

	31 December 2021 £	Unaudited 30 September 2020 £
Trade debtors	73,096	-
Amounts owed by group undertakings	213,076	-
Other debtors	11,176	1
Prepayments	106,537	22,962
	403,885	22,963

Renovo South Newton Limited

Notes to the Financial Statements for the Period from 1 October 2020 to 31 December 2021

6 Creditors

	31 December 2021 £	Unaudited 30 September 2020 £
Due within one year		
Trade creditors	94,563	-
Amounts due to group undertakings	4,845,589	-
Social security and other taxes	29,504	-
Outstanding defined contribution pension costs	5,853	-
Other creditors	20,951	1,042,344
Accrued expenses	100,735	43,321
	<u>5,097,195</u>	<u>1,085,665</u>

7 Obligations under lease and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2021 £	Unaudited 2020 £
Not later than one year	434,000	-
Later than one year and not later than five years	<u>1,969,500</u>	<u>-</u>
	<u>2,403,500</u>	<u>-</u>

8 Pension and other schemes

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £26,178 (2020 - £18,337).

Contributions totalling £5,853 (2020 - £nil) were payable to the scheme at the end of the period and are included in creditors.

9 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £2,837 (2020 - £Nil).

The company is bound by an intra-group cross guarantee in respect of bank debt with other members of the group headed by its ultimate parent undertaking. RN Holdings Limited, The total amounts of contingencies not included in the balance sheet is £35,673,236 (2020 - £nil).

10 Parent and ultimate parent undertaking

The company's immediate parent is South Newton Hospital Limited, incorporated in Jersey.

The ultimate parent is RN Holdings Limited, incorporated in Jersey.

The ultimate controlling party is Mr Mubashir Mukadam.

11 Disclosure under Section 444(5B) CA 2006 relating to the independent auditor's report

As permitted by Section 444 CA 2006, these accounts do not contain a copy of the company's Profit and Loss account or a copy of the Directors' Report. Accordingly, the Independent Auditors' Report has also been omitted.

The Independent Auditor's Report was unqualified. The corresponding figures for the period from 17 January 2020 to 30 September 2020 shown in the financial statements are derived from the financial statements prepared for that period that were not audited. The name of the Senior Statutory Auditor who signed the audit report on 30 September 2022 was Simon Worsley, who signed for and on behalf of Hazlewoods LLP.

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.