

FOX ELMS CARE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 APRIL 2019 TO 3 JULY 2019

Fox Elms Care Limited

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Fox Elms Care Limited

Company Information

Directors A J Cannon
J B Davey
S Parker

Company secretary L C Jordan

Registered office Voyage Care
Wall Island
Birmingham Road
Lichfield
Staffordshire
WS14 0QP

Auditors Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Fox Elms Care Limited

(Registration number: 05355524)

Balance Sheet as at 3 July 2019

	Note	3 July 2019 £	(Unaudited) 31 March 2019 £
Fixed assets			
Intangible assets	4	-	-
Tangible assets	5	20,212	20,750
		<u>20,212</u>	<u>20,750</u>
Current assets			
Debtors	6	4,547,189	4,721,813
Cash at bank and in hand		4,798	140,274
		<u>4,551,987</u>	<u>4,862,087</u>
Creditors: Amounts falling due within one year	7	(385,647)	(825,329)
Net current assets		<u>4,166,340</u>	<u>4,036,758</u>
Total assets less current liabilities		4,186,552	4,057,508
Deferred tax liabilities		(671)	(918)
Net assets		<u><u>4,185,881</u></u>	<u><u>4,056,590</u></u>
Capital and reserves			
Called up share capital		4	4
Profit and loss account		<u>4,185,877</u>	<u>4,056,586</u>
Total equity		<u><u>4,185,881</u></u>	<u><u>4,056,590</u></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 1 April 2020 and signed on its behalf by:

.....

S Parker
Director

The notes on pages [3](#) to [8](#) form an integral part of these financial statements.

Fox Elms Care Limited

Notes to the Financial Statements for the Period from 1 April 2019 to 3 July 2019

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:

Voyage Care
Wall Island
Birmingham Road
Lichfield
Staffordshire
WS14 0QP

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.

Disclosure of long or short period

The financial statements cover a period of 94 days.

Going concern

After reviewing the company's current forecasts and projections, together with the facilities available to the company, 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. This statement is made subject to all of the potential implications of the current COVID-19 outbreak on the company's trade, employees, customers, suppliers and the wider economy, as these are difficult to evaluate. Actual results could therefore be significantly different from the current forecasts and projections.

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.

Fox Elms Care Limited

Notes to the Financial Statements for the Period from 1 April 2019 to 3 July 2019

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current tax charge 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 taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets is 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
Leasehold improvements	Over the term of the lease
Furniture, fittings and equipment	25% on net book value
Motor vehicles	25% on net book value

Goodwill

Goodwill is amortised over its useful life, which shall not exceed five years if a reliable estimate of the useful life cannot be made. This period is considered by the directors to be two years from the date of acquisition. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

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 debtors are repayable within one year and are hence included at the undiscounted amount of the cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Fox Elms Care Limited

Notes to the Financial Statements for the Period from 1 April 2019 to 3 July 2019

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

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

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.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

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. Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Fox Elms Care Limited

Notes to the Financial Statements for the Period from 1 April 2019 to 3 July 2019

Financial instruments (continued)

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.

3 Staff numbers

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

	1 April 2019 to 3 July 2019	(Unaudited) Year ended 31 March 2019
	No.	No.
Average number of employees	<u>87</u>	<u>98</u>

4 Intangible assets

	Goodwill £
Cost	
At 1 April 2019 and at 3 July 2019	<u>150,000</u>
Amortisation	
At 1 April 2019 and at 3 July 2019	<u>150,000</u>
Carrying amount	
At 1 April 2019 and at 3 July 2019	<u><u>-</u></u>

Fox Elms Care Limited

Notes to the Financial Statements for the Period from 1 April 2019 to 3 July 2019

5 Tangible assets

	Leasehold improvements £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2019	79,189	37,201	12,653	129,043
Additions	-	267	-	267
At 3 July 2019	79,189	37,468	12,653	129,310
Depreciation				
At 1 April 2019	68,050	31,860	8,383	108,293
Charge for the period	204	334	267	805
At 3 July 2019	68,254	32,194	8,650	109,098
Carrying amount				
At 3 July 2019	10,935	5,274	4,003	20,212
At 31 March 2019	11,139	5,341	4,270	20,750

6 Debtors

	3 July 2019 £	(Unaudited) 31 March 2019 £
Trade debtors	208,414	382,427
Amounts owed by related parties	-	2,035,000
Amounts owed by group undertakings	3,702,174	-
Other debtors	454,418	2,208,116
Prepayments and accrued income	182,183	96,270
	4,547,189	4,721,813

7 Creditors

	3 July 2019 £	(Unaudited) 31 March 2019 £
Due within one year		
Trade creditors	17,526	5,317
Outstanding defined contribution pension costs	8,015	399
Other creditors	1,802	530,982
Accrued expenses	230,143	209,342
Corporation tax liability	128,161	79,289
	385,647	825,329

Fox Elms Care Limited

Notes to the Financial Statements for the Period from 1 April 2019 to 3 July 2019

8 Pension and other schemes

Defined contribution pension scheme

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 £11,226 (2019 - £16,825).

Contributions totalling £8,015 (2019 - £399) were payable to the scheme at the end of the period and are included in creditors.

9 Obligations under leases

Operating leases

The total of future minimum lease payments is as follows:

	3 July 2019	(Unaudited) 31 March 2019
	£	£
Not later than one year	<u>13,420</u>	<u>13,420</u>

Following the sale of the freehold property at 31 March 2017, the company entered into an agreement to guarantee any voids occurring in future rental periods (up to 31 March 2022 when the agreement expires). Given the nature of the agreement, the future commitments arising from the guarantee cannot be quantified at the balance sheet date.

10 Control

The company is a wholly owned subsidiary of Fox Elms Community Care Limited, a company registered in England and Wales. Up until 2 July 2019, Fox Elms Community Care Limited was controlled by C Vaughan and D Vaughan, who were also directors of Fox Elms Care Limited.

Since 2 July 2019, the immediate parent company has been Voyage Care Limited, incorporated in England and Wales, which acquired the entire issued share capital of Fox Elms Community Care Limited on that date. The ultimate parent company since 2 July 2019 has been Voyage Care HoldCo Limited.

11 Audit report

The Independent Auditor's Report was unqualified. The corresponding figures for the period from 1 April 2018 to 31 March 2019 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 1 April 2020 was Simon Worsley, who signed for and on behalf of Hazlewoods LLP.