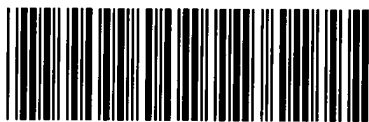


Reg

Company Registration No. 02748547 (England and Wales)

**LINDEN CARE HOMES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**  
**PAGES FOR FILING WITH REGISTRAR**

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# LINDEN CARE HOMES LIMITED

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# LINDEN CARE HOMES LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 31 MARCH 2020**

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The director presents the strategic report for the year ended 31 March 2020.

### **Fair review of the business**

The company continues to successfully operate three care homes at Warton, Dordon and Hartshill.

The directors consider that the key performance indicators for the business are turnover and occupancy levels.

### **Principal risks and uncertainties**

The company faces a number of risks and uncertainties and the director believes that the key financial risks relate to the general fall in local authority funding as well as the introduction of the national minimum wage.

Covid-19 poses a great risk to both our residents and our business in 2020 - 2021. We are taking every precaution to avoid any infections and as at 31 March 2020 none of our residents had contracted the disease. However the prevalence of the virus in the general community and the fact that a large percentage of people who contract the virus and are asymptomatic means that all of our staff are at risk of inadvertently bringing the infection to work. We will continue to employ enhanced infection control measures and hope that improved testing and the possible development of a vaccine will eventually reduce the risk to both our residents and our business.

### **Key performance indicators**

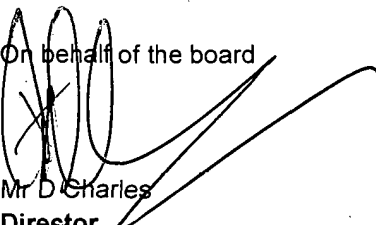
Turnover for the year increased by 4.6% to £5.05m during the year. Direct costs have increased (mainly relating to payroll costs) resulting in a fall in the company's gross profit percentage to 35.7% (2019- 39%).

Occupancy rates, based on rooms occupied, at the Warton and Dordon homes averaged 97% (2019 - 96%) and 102% (2019 -98%). The home at Hartshill re-opened in November 2014 and the occupancy rate has steadily improved since opening. The average occupancy rate for the Hartshill home in the year was 93% (2019 -90%).

Turnover and occupancy rates have significantly improved in the year to 31 March 2020 and on current performance turnover should continue to increase.

The net profit after taxation of the group amounted to £48,831 (2019 - £188,169),

No other statistics or rates are shown as the director feels that they are identifiable from the figures contained in the financial statements attached.

On behalf of the board  
  
Mr D Charles  
**Director**  
7 December 2020

# LINDEN CARE HOMES LIMITED

## GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2020

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	2020 £	2019 £
Profit for the year	48,831	188,169
Other comprehensive income		
Tax relating to other comprehensive income	-	80,698
Total comprehensive income for the year	<u>48,831</u>	<u>268,867</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

# LINDEN CARE HOMES LIMITED

## GROUP BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Goodwill	6		192,188		248,438
Tangible assets	7		8,782,444		9,021,346
			<u>8,974,632</u>		<u>9,269,784</u>
<b>Current assets</b>					
Stocks	11	719,215		638,402	
Debtors	12	340,902		477,520	
Cash at bank and in hand		381,277		227,810	
		<u>1,441,394</u>		<u>1,343,732</u>	
<b>Creditors: amounts falling due within one year</b>	13	(3,338,634)		(3,396,193)	
<b>Net current liabilities</b>			<u>(1,897,240)</u>		<u>(2,052,461)</u>
<b>Total assets less current liabilities</b>			7,077,392		7,217,323
<b>Creditors: amounts falling due after more than one year</b>	14		(1,516,566)		(1,696,525)
<b>Provisions for liabilities</b>			<u>(269,408)</u>		<u>(278,211)</u>
<b>Net assets</b>			<u>5,291,418</u>		<u>5,242,587</u>
<b>Capital and reserves</b>					
Called up share capital	18		11		11
Revaluation reserve			3,186,155		3,186,155
Profit and loss reserves			2,105,252		2,056,421
<b>Total equity</b>			<u>5,291,418</u>		<u>5,242,587</u>

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

The financial statements were approved and signed by the director and authorised for issue on 7 December 2020

Mr D Charles  
Director

# LINDEN CARE HOMES LIMITED

## COMPANY BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Goodwill	6		192,188		248,438
Tangible assets	7		8,782,444		9,021,346
Investments	8		100		100
			<u>8,974,732</u>		<u>9,269,884</u>
<b>Current assets</b>					
Stocks	11	16,000		16,000	
Debtors	12	1,056,497		1,110,431	
Cash at bank and in hand		371,832		218,918	
		<u>1,444,329</u>		<u>1,345,349</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(3,338,634)</u>		<u>(3,395,713)</u>	
<b>Net current liabilities</b>			<u>(1,894,305)</u>		<u>(2,050,364)</u>
<b>Total assets less current liabilities</b>			7,080,427		7,219,520
<b>Creditors: amounts falling due after more than one year</b>	14		(1,516,566)		(1,696,525)
<b>Provisions for liabilities</b>			<u>(269,408)</u>		<u>(278,211)</u>
<b>Net assets</b>			<u>5,294,453</u>		<u>5,244,784</u>
<b>Capital and reserves</b>					
Called up share capital	18		11		11
Revaluation reserve			3,186,155		3,186,155
Profit and loss reserves			<u>2,108,287</u>		<u>2,058,618</u>
<b>Total equity</b>			<u>5,294,453</u>		<u>5,244,784</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £49,669 (2019 - £188,837 profit).

The financial statements were approved and signed by the director and authorised for issue on 7 December 2020.

Mr D Charles  
Director

Company Registration No. 02748547

# LINDEN CARE HOMES LIMITED

## GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£
<b>Balance at 1 April 2018</b>	11	3,105,457	1,868,252	4,973,720
<b>Year ended 31 March 2019:</b>				
Profit for the year	-	-	188,169	188,169
Other comprehensive income:				
Tax relating to other comprehensive income	-	80,698	-	80,698
Total comprehensive income for the year	-	80,698	188,169	268,867
<b>Balance at 31 March 2019</b>	11	3,186,155	2,056,421	5,242,587
<b>Year ended 31 March 2020:</b>				
Profit and total comprehensive income for the year	-	-	48,831	48,831
<b>Balance at 31 March 2020</b>	11	3,186,155	2,105,252	5,291,418

# LINDEN CARE HOMES LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£
<b>Balance at 1 April 2018</b>	11	3,105,457	1,869,781	4,975,249
<b>Year ended 31 March 2019:</b>				
Profit for the year	-	-	188,837	188,837
Other comprehensive income:				
Tax relating to other comprehensive income	-	80,698	-	80,698
Total comprehensive income for the year	-	80,698	188,837	269,535
<b>Balance at 31 March 2019</b>	11	3,186,155	2,058,618	5,244,784
<b>Year ended 31 March 2020:</b>				
Profit and total comprehensive income for the year	-	-	49,669	49,669
<b>Balance at 31 March 2020</b>	11	3,186,155	2,108,287	5,294,453



# LINDEN CARE HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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### 1 Accounting policies

#### Company information

Linden Care Homes Limited ("the company") is a limited company domiciled and incorporated in England and Wales. The registered office is Linden Care Homes Limited, Linden Lane, Tamworth, Staffordshire B79 0JR

The group consists of Linden Care Homes Limited and its subsidiary.

#### 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.

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 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

The consolidated financial statements incorporate those of Linden Care Homes Limited and its subsidiary (ie an entity that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2020. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

# LINDEN CARE HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 1 Accounting policies

(Continued)

#### 1.3 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business.

Revenue from contracts for the provision of professional services and accommodation is recognised by reference to the period of occupation by the resident.

#### 1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 20 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

#### 1.6 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 a straight line basis
Fixtures and fittings	20% on a reducing balance basis
Motor vehicles	25% on a reducing balance basis

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 recognised in the profit and loss account.

#### 1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

# LINDEN CARE HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

---

### 1 Accounting policies

(Continued)

#### 1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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.

#### 1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment and any impairment is recognised in the profit or loss.

#### 1.10 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.

# LINDEN CARE HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies

(Continued)

##### 1.11 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

##### **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.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **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 group after deducting all of its liabilities.

# LINDEN CARE HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

---

### 1 Accounting policies

(Continued)

#### **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.

#### **Other financial liabilities**

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

### 1.12 Equity instruments

Equity instruments issued by the group 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 group.

### 1.13 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# LINDEN CARE HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

---

### 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 if, and only if, there is 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.

#### **1.14 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.

#### **1.15 Retirement benefits**

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

#### **1.16 Leases**

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# LINDEN CARE HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 3 Auditor's remuneration

	2020 £	2019 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	10,410	10,200
Audit of the financial statements of the company's subsidiaries	480	480
	<u>10,890</u>	<u>10,680</u>

### 4 Employees

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

	Group 2020 Number	2019 Number	Company 2020 Number	2019 Number
Office and management	12	12	11	11
Care, cleaning and maintenance	211	209	211	209
Total	<u>223</u>	<u>221</u>	<u>222</u>	<u>220</u>

### 5 Director's remuneration

	2020 £	2019 £
Remuneration for qualifying services	72,581	68,947
Company pension contributions to defined contribution schemes	43,500	31,500
	<u>116,081</u>	<u>100,447</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2019 - 1).

### 6 Intangible fixed assets

Group	Goodwill £
<b>Cost</b>	
At 1 April 2019 and 31 March 2020	<u>1,125,000</u>
<b>Amortisation and impairment</b>	
At 1 April 2019	876,562
Amortisation charged for the year	<u>56,250</u>
At 31 March 2020	<u>932,812</u>

# LINDEN CARE HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 6 Intangible fixed assets

(Continued)

<b>Carrying amount</b>	
At 31 March 2020	192,188
At 31 March 2019	248,438
<b>Company</b>	<b>Goodwill</b>
	£
<b>Cost</b>	
At 1 April 2019 and 31 March 2020	1,125,000
<b>Amortisation and impairment</b>	
At 1 April 2019	876,562
Amortisation charged for the year	56,250
At 31 March 2020	932,812
<b>Carrying amount</b>	
At 31 March 2020	192,188
At 31 March 2019	248,438

### 7 Tangible fixed assets

Group	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 April 2019 and 31 March 2020	10,237,737	924,569	67,015	11,229,321
<b>Depreciation and impairment</b>				
At 1 April 2019	1,471,574	684,482	51,919	2,207,975
Depreciation charged in the year	180,133	54,995	3,774	238,902
At 31 March 2020	1,651,707	739,477	55,693	2,446,877
<b>Carrying amount</b>				
At 31 March 2020	8,586,030	185,092	11,322	8,782,444
At 31 March 2019	8,766,163	240,087	15,096	9,021,346



# LINDEN CARE HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

#### 7 Tangible fixed assets (Continued)

Company	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 April 2019 and 31 March 2020	10,237,737	924,569	67,015	11,229,321
<b>Depreciation and impairment</b>				
At 1 April 2019	1,471,574	684,482	51,919	2,207,975
Depreciation charged in the year	180,133	54,995	3,774	238,902
At 31 March 2020	1,651,707	739,477	55,693	2,446,877
<b>Carrying amount</b>				
At 31 March 2020	8,586,030	185,092	11,322	8,782,444
At 31 March 2019	8,766,163	240,087	15,096	9,021,346

Land and buildings with a carrying value of £5,783,500 were revalued at 31 March 2013 by Christie & Co, Surveyors, not connected with the company on the basis of market value. The valuations conform to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

Land and buildings with a carrying value of £2,802,530 have been valued by the director at estimated current market value.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	Group 2020 £	2019 £	Company 2020 £	2019 £
Cost	7,353,322	7,353,322	7,353,322	7,353,322
Accumulated depreciation	(1,390,511)	(1,243,444)	(1,390,511)	(1,243,444)
Carrying value	5,962,811	6,109,878	5,962,811	6,109,878

#### 8 Fixed asset investments

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Investments in subsidiaries	9	-	-	100	100

# LINDEN CARE HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 8 Fixed asset investments

(Continued)

#### Movements in fixed asset investments Company

Shares in  
group  
undertakings  
£

#### Cost or valuation

At 1 April 2019 and 31 March 2020

100

#### Carrying amount

At 31 March 2020

100

At 31 March 2019

100

### 9 Subsidiaries

Details of the company's subsidiary at 31 March 2020 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Linden Development (2015) Ltd.	United Kingdom	Ordinary shares	100.00

The investment in the subsidiary is stated at cost.

### 10 Financial instruments

Group 2020 £	2019 £	Company 2020 £	2019 £
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### 11 Stocks

	Group 2020 £	2019 £	Company 2020 £	2019 £
Stock of property	703,215	622,402	-	-
Stock of consumables	16,000	16,000	16,000	16,000
	<u>719,215</u>	<u>638,402</u>	<u>16,000</u>	<u>16,000</u>

# LINDEN CARE HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 12 Debtors

	Group 2020 £	2019 £	Company 2020 £	2019 £
<b>Amounts falling due within one year:</b>				
Trade debtors	279,195	414,323	279,195	414,323
Amounts owed by group undertakings	-	-	715,595	633,630
Other debtors	12,111	10,706	12,111	10,706
Prepayments and accrued income	49,596	52,491	49,596	51,772
	<u>340,902</u>	<u>477,520</u>	<u>1,056,497</u>	<u>1,110,431</u>

### 13 Creditors: amounts falling due within one year

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans	15	3,036,378	3,010,769	3,036,378	3,010,769
Trade creditors		126,078	112,774	126,078	112,774
Corporation tax payable		76,452	110,331	76,452	110,331
Other taxation and social security		50,407	42,607	50,407	42,607
Other creditors		(25,570)	56,957	(25,570)	56,957
Accruals and deferred income		74,889	62,755	74,889	62,275
		<u>3,338,634</u>	<u>3,396,193</u>	<u>3,338,634</u>	<u>3,395,713</u>

### 14 Creditors: amounts falling due after more than one year

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans and overdrafts	15	<u>1,516,566</u>	<u>1,696,525</u>	<u>1,516,566</u>	<u>1,696,525</u>

### 15 Loans and overdrafts

	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans	<u>4,552,944</u>	<u>4,707,294</u>	<u>4,552,944</u>	<u>4,707,294</u>
Payable within one year	3,036,378	3,010,769	3,036,378	3,010,769
Payable after one year	<u>1,516,566</u>	<u>1,696,525</u>	<u>1,516,566</u>	<u>1,696,525</u>

The long-term loans are secured by a fixed and floating charge over all of the assets of the group.

# LINDEN CARE HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

#### 15 Loans and overdrafts

(Continued)

Linden Care Homes Ltd bank loan, with a carrying amount of £4,524,754 expires on 19 July 2023 and is repayable by instalments. Interest is charged at 2.4% over base rate.

The loan to develop Hartshill Grange has a carrying amount of £28,190 and this loan expires on 22 June 2020, repayments being made by instalments. Interest is charged at 1.75% over Libor rate.

#### 16 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2020 £	Liabilities 2019 £
<b>Group</b>		
Accelerated capital allowances	19,839	28,642
Revaluations	249,569	249,569
	<u>269,408</u>	<u>278,211</u>
	Liabilities 2020 £	Liabilities 2019 £
<b>Company</b>		
Accelerated capital allowances	19,839	28,642
Revaluations	249,569	249,569
	<u>269,408</u>	<u>278,211</u>
	Group 2020 £	Company 2020 £
<b>Movements in the year:</b>		
Liability at 1 April 2019	278,211	278,211
Credit to profit or loss	(8,803)	(8,803)
	<u>269,408</u>	<u>269,408</u>

# LINDEN CARE HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 17 Retirement benefit schemes

	2020	2019
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	126,001	86,014

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

### 18 Share capital

	Group and company	
	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
11 Ordinary of £1 each	11	11

### 19 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 James Simmons.

The auditor was Bishop Simmons Limited.

### 20 Operating lease commitments

The operating lease payments represent rentals payable for equipment. The leases are negotiated over terms of 5 years and rentals are fixed. There are no options in place for either party to extend the lease terms.

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Within one year	20,411	21,206	20,411	21,206
Between two and five years	35,913	53,198	35,913	53,198
	<u>56,324</u>	<u>74,404</u>	<u>56,324</u>	<u>74,404</u>