

Greensleeves Care - Interim Announcement

18 December 2019

Greensleeves Care trading update for the period ending 30 September 2019.

- Greensleeves Care is today issuing its consolidated trading update for the six months ended 30 September 2019.
- These figures are unaudited, as are the comparative figures shown for the same period last year and shown in brackets.

Highlights

- Greensleeves Care continues to expand operations in line with its strategic business plan
- Homes in management

Greensleeves Care now owns and manages 25 homes - up from 24 in September 2018 and at the March 2019 year end.

Homes	30 Sept 2019	31 March 2019	30 Sept 2017
Freehold	22	22	22
Leasehold	3	2	2
Total	25	24	24
Residents	1,037	971	971

In July 2019, Greensleeves Care completed construction of The Orchards in Ely, Cambridgeshire, with 66 bedrooms.

Expansion continues and three major expansion and redevelopment projects are underway at Mount Ephraim House in Kent, Croxley House in Hertfordshire and Borovere in Hampshire.

- CQC ratings

19 Greensleeves Care homes are accredited as 'Good' or 'Outstanding' by the CQC with two awaiting inspection.

In addition, four homes are currently rated requires improvement due to localised, operational issues. The homes are now under new management and Greensleeves Care continues to outperform the national benchmark.

CQC Ratings	30 Sept 2019	31 March 2019	30 Sept 2018
Outstanding	3	3	2
Good	16	16	17
Requires improvement	4	3	3
Awaiting inspection	2	2	2
Total	25	24	24

‘Good’ or ‘Outstanding’ ratings represent 83% of the homes that have been inspected which compares with 78% for the overall market as at September 2019.

In addition, the Greensleeves Care homes that provide nursing care significantly outperformed the sector average.

- Occupancy

Over the period, occupancy (based on anticipated resident build-up) was 92% remaining the same as for the period to September 2018 and the year ended 31 March 2019. This compares favourably with the industry average of 87% (85% in September 2018)

- Awards

Greensleeves Care homes won two national care awards in 2019 including Great British Care Awards (GBCA) and Caring UK Awards and were finalists in four other awards. Two Greensleeves Care Homes won Top 20 Care Home Award from carehome.co.uk in their respective regions. Additionally, two other care homes were named first and third best rated care home in the UK by Ipsos Mori.

- Public reviews

Greensleeves Care is one of the highest rated care home groups in the leading online care directory carehome.co.uk enjoying a group score of 9.6 out of 10 based on the reviews from residents, their relatives and friends. Each Greensleeves Care home has individual high review score ranging from 9.9 to 9.1 out of 10. This demonstrates that residents and their relatives/friends hold our homes and the care they receive in a very high regard.

Commenting on the results, Chris Doherty, CFO, said:

Greensleeves Care remains financially strong with good growth in income driven largely by acquisition and development activity and low levels of gearing. Results for the half year to September 2019 also benefit from sale of surplus land yielding a profit on disposal of £9.7m.

The Trust has a very sustainable business model based on approximately 75% of our residents being privately funded coupled with a commercial approach to cost control.

Our development pipeline is healthy and any activity is subject to rigorous capital investment appraisal to inform strong investment decisions.

We also continue to invest heavily in our existing estate (six months to September 2019: £5.2m) in order to ensure our homes are safe and comfortable for our residents for the foreseeable future.

Greensleeves Care continues to exceed our own financial performance targets and also to outperform the market in most key indicators of performance.

Paul Newman, CEO, said:

We are all living longer - As the 'baby boomers' enter later life, we face the prospect of a significant increase in the number of people in need of care. In 15 years, we will have 1.2 million more people aged 85 than today - an increase of nearly 80% between 2018 and 2033.

As we modernise and invest in our estate and services, Greensleeves Care is well placed to meet the growing demand. We will continue to pursue our dual strategy of quality improvement and sustainable growth.

Unaudited Statement of comprehensive income	30 Sept 2019 6 months	30 Sept 2018 6 months	31 Mar 2019 12 months
	£000s	£000s	£000s
Turnover	22,068	19,336	39,604
EBITDA	2,169	1,895	3,419
Net income	9,808	320	(184)

Unaudited Balance Sheet	As at 30 Sept 2019	As at 30 Sept 2018	As at 31 Mar 2019
	£000s	£000s	£000s
Fixed assets	72,655	60,704	64,778
Net current assets	20,117	5,815	4,203
Long term liabilities	(49,543)	(32,593)	(35,560)
Total funds	43,229	33,926	33,421

This trading update contains certain forward looking statements about the future outlook for Greensleeves Care. Although senior management believe that these statements are based upon reasonable assumptions, any such statements should be treated with caution as future outlook may be influenced by factors that could cause actual outcomes and results to be materially different.