

Company registration number 03812402 (England and Wales)

RADIS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022



RADIS LIMITED

COMPANY INFORMATION

Directors	S R Patel D R Patel
Secretary	S R Patel
Company number	03812402
Registered office	Mercia House 15 Galena Close Tamworth Staffordshire B77 4AS
Auditor	Mercer & Hole LLP Silbury Court 420 Silbury Boulevard Central Milton Keynes MK9 2AF
Bankers	Royal Bank of Scotland 24 Southernhay Basildon Essex SS14 1ER

RADIS LIMITED

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RADIS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The directors present the strategic report for the year ended 31 August 2022.

Fair review of the business

The Radis group of companies predominately provides care and support services in community settings across three reporting divisions; Domiciliary Care, Extra Care Housing and Specialist Services.

The group increased turnover to £50,242,274 (2021: £40,333,166). The increase in turnover was achieved through limited fee increase on existing contracts, significant growth in Extra care consolidating on growth from the prior year and new contracts and acquisitions in Supported Living and full year's trading of the acquisitions in the prior year.

Gross profit margin has decreased to 24.8% (2021: 27.7%). On existing contracts, margins continued to experience pressure as costs continue to rise, particularly the additional increases in the cost of the National Living Wage and associated employment costs.

COVID-19 has continued to impact the contract profitability through the receipt of additional income from Local Authorities covering some of our additional costs. This exceptional income has decreased in the year to £2,180,190 (2021: £2,484,441). This income is now substantially finished and will curtail significantly in the next financial year.

The group has continued its investment in branch and support staff, funded by new contract implementations, IT expenditure and more significant increases in a number of general cost lines. As a result, there was an increase in administrative expenses to £13,909,239 (2021: £12,287,641). We expect to see further investment in wages, IT costs and new contracts and services which the group believes will position it to continue its growth. The group will continue to manage the pressures on administrative costs as part of its business strategy.

With the margin and cost challenges and even after the turnover growth and the exceptional income from Local Authorities, Earning before Interest, Tax, Depreciation and Amortisation (EBITDA) has fallen to £1,486,554 (2021: £1,801,189).

The outlook for 2022/23 will be affected by further erosion of margins in all services due to inflationary pressures and the reduced COVID-19 funding. As a result the business will be reviewing all its contracts and taking appropriate actions to ensure continued profitability.

Principal risks and uncertainties

The principal risks and uncertainties continue to be the following:

Reliance on Local Authority customers

This risk is managed by maintaining close relations with those customers and also looking for opportunities to expand into the private payer market. The group maintains a pipeline of tender opportunities to promote a diversity of contracts and selectively tenders for sustainable contracts. The group has a good track record of winning new contracts and retaining contracts on renewal.

Compliance with regulations

The group employs suitably qualified staff and provides access to staff training to ensure they remain compliant with the regulations of the sector.

Retention and quality of staff

Recruitment and retention of good quality staff is an ongoing problem in a sector which is traditionally low paid. The group ensures it complies with the requirements of the Nation Minimum and Living Wages legislation.

Development and performance

Trading conditions are expected to continue to be difficult with the continuing pressure on margins. However, demand for care and support services continues to be high and we do expect to continue to grow organically over the next 12 months.

RADIS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Key performance indicators

The directors consider the key performance indicators to be turnover, gross margin, EBITDA and cash flow which are consistent with the size and complexity of the business.

	2022	2021
Turnover	£50,242,274	£40,333,166
Gross margin	24.8%	27.7%
EBITDA	£1,486,554	£1,801,189

Promoting the success of the company

The directors have had regard to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006 in exercising their duty to promote the success of the group for the benefit of its members as a whole. The directors consider the group's key stakeholders to be its Shareholders, Employees, Customers, Suppliers, Funders and Regulators. The Board seeks to understand the respective interests of such groups so that these may be properly considered in the Board's decisions. We do this through various methods, including: direct engagement by the appropriate Board members; receiving reports and updates from members of management who engage with such groups; and coverage in our Board papers of relevant stakeholder interests with regard to proposed courses of action.

In considering the likely long-term consequences of any strategic decisions they make, the directors recognise their understanding of the business and the evolving environment in which the group operates is critical. Through their day to day involvement in the business, the directors are able to keep pace with the changes and challenges faced and can ensure this is incorporated into their strategic plans.

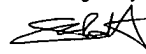
By providing a safe and secure working environment for employees, the directors are mindful that the group's employees are fundamental and core to the business and delivery of the Board's strategic plans. The success of the business depends on attracting, developing, retaining and motivating employees. Delivering the strategy also requires good relationships with suppliers, clients, funders, and local communities and the directors work continuously to achieve this.

In order to maintain the group's reputation for high standards of business conduct the directors review and approve clear plans, policies and frameworks periodically, and carry out regular reviews so they can ensure that those high standards are maintained across all relationships, internally and externally. This is complemented by the way the directors monitor ongoing changes with governance standards and adapt the group's policies and procedures to reflect those that are relevant to the size and industry of the business. The group's environmental impact is monitored by the directors and further details can be found in the Directors' Report.

Finally, the directors recognise their role is key through not just their words but their own actions in ensuring the desired culture is embedded in the values, attitudes and behaviours the group demonstrates through its external activities and stakeholder relationships.

On behalf of the board

DocuSigned by:



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S R Patel

Director

8/3/2023

Date:

RADIS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The directors present their annual report and financial statements for the year ended 31 August 2022.

Principal activities

The principal activity of the group continued to be the provision of care and support services to vulnerable people in the community.

Results and dividends

The results for the year are set out on page 10.

Ordinary dividends were paid amounting to £166,000. The directors do not recommend payment of a further dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

S R Patel

D R Patel

Disabled persons

The group's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person are available. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Employee involvement

The group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

Future developments

The group continues to seek further opportunities to develop the business and additional services.

Auditor

The company's auditor, Mercer & Hole, incorporated on 1 October 2022 to become Mercer & Hole LLP. The directors have consented to treating the incorporation of Mercer & Hole LLP as a continuation of the existing audit arrangement and in accordance with the company's articles, a resolution proposing that Mercer & Hole LLP be reappointed as auditor of the company will be put at a General Meeting.

RADIS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Energy and carbon report

The directors recognise that our operations have an environmental impact and we are committed to monitoring and reducing our emissions year on year. We are also aware of our reporting obligations under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. As such, this year we have included reporting of our energy and carbon to meet these requirements and increase the transparency with which we communicate about our environmental impact to our stakeholders.

2021/2022 Performance

Our carbon footprint for the 2021/2022 reporting year has been calculated based on our environmental impact across scope 1, 2 and some scope 3 emissions related to Business Miles covered in Employees vehicles, as we believe this to be a fair reflection of the energy used in the operation of the business.

Our emissions are 838 tCO₂e, which is an average impact of 0.36 tCO₂e per employee. We have calculated emission intensity metrics on the basis of both FTE and annual turnover, which we will monitor to track performance in our subsequent environmental disclosures.

We look to continually maximise efficiencies by minimising the impact of our carbon footprint through monitoring of our energy usage. By the nature of our business, fuel consumption is the largest proportion of our environmental impact. We monitor this by looking at our customers distribution profile and increasing the effectiveness of our planning. In addition we aim to educate our employees to reduce consumption where possible.

Methodology

The CO₂e calculations are based on the HMRC publications relating to greenhouse gas reporting conversion factors for 2022 and our internal records for orders of fuel and energy consumption statements.

	2022 kWh
<i>Energy consumption</i>	
Aggregate of energy consumption in the year	3,483,056
	2022 metric tonnes
<i>Emissions of CO₂ equivalent</i>	
Scope 1 - direct emissions	
- Gas combustion	24.00
- Fuel consumed for owned transport	103.00
	127.00
Scope 2 - indirect emissions	
- Electricity purchased	45.00
Scope 3 - other indirect emissions	
- Fuel consumed for transport not owned by the	666.00
Total gross emissions	838.00
<i>Intensity ratio</i>	
Tonnes CO ₂ e per employee	0.36

Quantification and reporting methodology

The group has followed the 2019 HM Government Environmental Reporting Guidelines. The group has also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting

RADIS LIMITED

DIRECTORS' REPORT (CONTINUED)

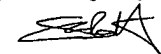
FOR THE YEAR ENDED 31 AUGUST 2022

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

DocuSigned by:



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S R Patel

Director

8/3/2023

Date:

RADIS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RADIS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RADIS LIMITED

Opinion

We have audited the financial statements of Radis Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 August 2022 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 August 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

RADIS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF RADIS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, the Companies Act 2006, tax legislation and the requirements of the Care Quality Commission.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and the financial report (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate entries including journals to overstate revenue or understate expenditure and management bias in accounting estimates.

RADIS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF RADIS LIMITED

Audit procedures performed by the engagement team included:

- discussions with management, including considerations of known or suspected instances of non-compliance with laws and regulations and fraud;
- gaining an understanding of management's controls designed to prevent and detect irregularities;
- identifying and testing journal entries; and
- review of Care Quality Commission inspection reports to identify evidence of non-compliance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mercer & Hole LLP

Andrew Lawes MA MSc FCA (Senior Statutory Auditor)
For and on behalf of Mercer & Hole LLP

Date: *8 March 2023*

Chartered Accountants
Statutory Auditor

Silbury Court
420 Silbury Boulevard
Central Milton Keynes
MK9 2AF

RADIS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	2021 £
Turnover	3	50,242,274	40,333,166
Cost of sales		(37,759,580)	(29,156,815)
Gross profit		12,482,694	11,176,351
Administrative expenses		(13,909,239)	(12,287,641)
Other operating income	3	318,201	218,224
Exceptional income	4	2,180,190	2,484,441
Operating profit	5	1,071,846	1,591,375
Interest receivable and similar income	9	20,315	322
Interest payable and similar expenses	10	(172,734)	(53,402)
Profit before taxation		919,427	1,538,295
Tax on profit	11	(199,175)	(337,046)
Profit for the financial year	25	720,252	1,201,249

Profit for the financial year is all attributable to the owners of the parent company.

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

The profit and loss account has been prepared on the basis that all operations are continuing operations.

RADIS LIMITED**GROUP BALANCE SHEET****AS AT 31 AUGUST 2022**

	Notes	2022 £	£	2021 £	£
Fixed assets					
Intangible assets	13	1,592,369		1,566,752	
Tangible assets	14	1,757,237		1,732,274	
Investment properties	15	565,000		565,000	
		<u>3,914,606</u>		<u>3,864,026</u>	
Current assets					
Debtors	18	7,558,820		6,529,048	
Cash at bank and in hand		2,739,881		3,633,929	
		<u>10,298,701</u>		<u>10,162,977</u>	
Creditors: amounts falling due within one year	19	(8,170,218)		(5,741,023)	
Net current assets		<u>2,128,483</u>		<u>4,421,954</u>	
Total assets less current liabilities		<u>6,043,089</u>		<u>8,285,980</u>	
Creditors: amounts falling due after more than one year	20	-		(2,866,743)	
Provisions for liabilities					
Deferred tax liability	22	109,404		39,804	
		<u>(109,404)</u>		<u>(39,804)</u>	
Net assets		<u>5,933,685</u>		<u>5,379,433</u>	
Capital and reserves					
Called up share capital	24	126,316		126,316	
Share premium account	25	93,684		93,684	
Profit and loss reserves	25	5,713,685		5,159,433	
Total equity		<u>5,933,685</u>		<u>5,379,433</u>	

8/3/2023

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

DocuSigned by:

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 S R Patel
 Director

Company registration number 03812402 (England and Wales)

RADIS LIMITED

COMPANY BALANCE SHEET

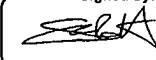
AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	14	822,100		843,180	
Investments	16	1,184,484		1,184,484	
		<u>2,006,584</u>		<u>2,027,664</u>	
Current assets					
Debtors	18	751,437	1,016,723		
Cash at bank and in hand		503,249	181,380		
		<u>1,254,686</u>	<u>1,198,103</u>		
Creditors: amounts falling due within one year	19	<u>(2,940,374)</u>	<u>(83,442)</u>		
Net current (liabilities)/assets		<u>(1,685,688)</u>		<u>1,114,661</u>	
Total assets less current liabilities		<u>320,896</u>		<u>3,142,325</u>	
Creditors: amounts falling due after more than one year	20	-		<u>(2,866,743)</u>	
Net assets		<u>320,896</u>		<u>275,582</u>	
Capital and reserves					
Called up share capital	24	126,316	126,316		
Share premium account	25	93,684	93,684		
Profit and loss reserves	25	100,896	55,582		
Total equity		<u>320,896</u>		<u>275,582</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 £211,314 (2021: £218,413).

8/3/2023

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

DocuSigned by:

BA1A2B0940194CF.....
 S R Patel
 Director

Company registration number 03812402 (England and Wales)

RADIS LIMITED**GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 September 2020		126,316	93,684	4,122,184	4,342,184
Year ended 31 August 2021:					
Profit and total comprehensive income for the year		-	-	1,201,249	1,201,249
Dividends	12	-	-	(164,000)	(164,000)
Balance at 31 August 2021		126,316	93,684	5,159,433	5,379,433
Year ended 31 August 2022:					
Profit and total comprehensive income for the year		-	-	720,252	720,252
Dividends	12	-	-	(166,000)	(166,000)
Balance at 31 August 2022		126,316	93,684	5,713,685	5,933,685

RADIS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 September 2020		126,316	93,684	1,169	221,169
Year ended 31 August 2021:					
Profit and total comprehensive income for the year		-	-	218,413	218,413
Dividends	12	-	-	(164,000)	(164,000)
Balance at 31 August 2021		126,316	93,684	55,582	275,582
Year ended 31 August 2022:					
Profit and total comprehensive income for the year		-	-	211,314	211,314
Dividends	12	-	-	(166,000)	(166,000)
Balance at 31 August 2022		126,316	93,684	100,896	320,896

RADIS LIMITED**GROUP STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	31	1,012,732		831,176	
Interest paid		(172,734)		(21,903)	
Income taxes paid		(470,167)		(258,044)	
Net cash inflow from operating activities		369,831		551,229	
Investing activities					
Purchase of business		-	(1,781,516)		
Purchase of intangible assets		(218,710)	-		
Purchase of tangible fixed assets		(246,578)	(1,180,607)		
Proceeds from disposal of tangible fixed assets		-	6,994		
Loan to related party		(619,561)	-		
Interest received		20,315	322		
Net cash used in investing activities		(1,064,534)		(2,954,807)	
Financing activities					
Repayment of borrowings		-	(172,179)		
Proceeds from new bank loans		-	2,900,000		
Repayment of bank loans		(33,345)	(331,866)		
Dividends paid to equity shareholders		(166,000)	(164,000)		
Net cash (used in)/generated from financing activities		(199,345)		2,231,955	
Net decrease in cash and cash equivalents		(894,048)		(171,623)	
Cash and cash equivalents at beginning of year		3,633,929		3,805,552	
Cash and cash equivalents at end of year		2,739,881		3,633,929	

RADIS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Company information

Radis Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Mercia House, 15 Galena Close, Tamworth, Staffordshire, B77 4AS.

The group consists of Radis Limited and all of its subsidiaries.

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 as modified by the revaluation of investment properties. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

1.2 Business combinations

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.

RADIS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.3 Basis of consolidation

The consolidated financial statements incorporate those of Radis Limited and all of its subsidiaries (ie entities 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 August 2022. 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.

1.4 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company and group have adequate resources to continue in operational existence for the foreseeable future. Detailed trading cash flow forecasts have been prepared covering a period of greater than 12 months from the date of approval of these financial statements. The forecasts indicate that the company and group will have adequate resources to continue to trade for the foreseeable future without the need for additional sources of funds. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the provision of professional services is recognised by reference to the date of provision of the services.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation 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:

Software	3 years straight line
Contracts	10 years straight line

1.7 Tangible fixed assets

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

RADIS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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:

Land and buildings Freehold	50 years straight line
Fixtures, fittings & equipment	5 years straight line
Computer equipment	3 years straight line
Motor vehicles	5 years straight line

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.

1.8 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.9 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, associates and jointly controlled entities 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.

1.10 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.

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.

RADIS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.11 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.

1.12 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.

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.

RADIS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies 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.

Derecognition of financial liabilities

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

1.13 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.

1.14 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.

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.

RADIS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.15 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 group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.16 Retirement benefits

The group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

The group also participates in two multi-employer defined benefit pension schemes, the Local Government Pension scheme and the NHS Pension scheme. Under the TUPE arrangements for employees who were already members of these schemes when their employment contracts were transferred to the group, the group's obligations are to pay current contributions but have been indemnified by the relevant local authority to contribute towards any scheme deficit that may exist.

As such, the schemes have been accounted for a defined contribution pension scheme and the pension costs in respect of these schemes represent contributions payable in the period.

1.17 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.18 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.

RADIS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are 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.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Additional funding from Local Authorities

During the year the group received additional payments from a number of the Local Authorities to which it provides services. In some case the terms attached to this additional funding are not clear and there may be the potential for amounts to be clawed back by the Local Authorities in question. The directors have reviewed the position and have only recorded income where they believe that any conditions attached to the income have been met, and where there is not the potential for claw back.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Bad and doubtful debts

The directors review trade receivable at each balance sheet date for impairment. Impairment of individually significant balances is assessed with an appropriate impairment provision being made when it is probable that the cash due will not be received in full. Individual non-significant balances are measured on a portfolio basis and assessed for impairment using historical loss experience.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2022 £	2021 £
Turnover analysed by class of business		
Provision of care and support services	49,923,161	40,058,663
Provision of cleaning services	291,973	270,144
Rental income	27,140	4,359
	<u>50,242,274</u>	<u>40,333,166</u>
	2022 £	2021 £
Turnover analysed by geographical market		
United Kingdom	<u>50,242,274</u>	<u>40,333,166</u>

RADIS LIMITED**NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2022****3 Turnover and other revenue****(Continued)**

	2022	2021
	£	£
Other revenue		
Interest income	20,315	322
Grants received	318,201	139,056
Sundry other income	-	81,362
	<u> </u>	<u> </u>

Grants received relate to amounts received under the Coronavirus Job Retention Scheme and CBILS loan arrangements.

4 Exceptional item

	2022	2021
	£	£
Exceptional income connected with COVID-19	2,180,190	2,484,441
	<u> </u>	<u> </u>

Exceptional income connected with COVID-19 relates to additional income received to assist the group in dealing with the effects of the COVID-19 pandemic.

5 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Government grants	(318,201)	(139,056)
Depreciation of owned tangible fixed assets	221,615	173,871
(Profit)/loss on disposal of tangible fixed assets	-	1,063
Amortisation of intangible assets	193,093	35,943
Operating lease charges	338,207	290,358
	<u> </u>	<u> </u>

6 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	14,000	13,000
Audit of the financial statements of the company's subsidiaries	75,774	68,450
	<u> </u>	<u> </u>
	89,774	81,450
	<u> </u>	<u> </u>

RADIS LIMITED**NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2022****7 Employees**

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

	Group 2022 Number	2021 Number	Company 2022 Number	2021 Number
Carers	2,175	1,937	-	-
Office and support staff	158	143	-	-
Total	2,333	2,080	-	-

Their aggregate remuneration comprised:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Wages and salaries	40,041,675	33,817,715	-	-
Social security costs	2,984,403	2,233,532	-	-
Pension costs	951,416	822,488	-	-
	43,977,494	36,873,735	-	-

8 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	205,006	195,543
Company pension contributions to defined contribution schemes	9,253	12,076
	214,259	207,619

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2022 £	2021 £
Remuneration for qualifying services	103,726	n/a
Company pension contributions to defined contribution schemes	5,653	n/a

RADIS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Interest receivable and similar income

	2022	2021
	£	£
Interest income		
Interest on bank deposits	754	322
Other interest income	19,561	-
	<u>20,315</u>	<u>322</u>
Total income	<u>20,315</u>	<u>322</u>

10 Interest payable and similar expenses

	2022	2021
	£	£
Interest on bank overdrafts and loans	172,734	53,402
	<u>172,734</u>	<u>53,402</u>

11 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	133,902	300,601
Adjustments in respect of prior periods	(4,327)	1,731
	<u>129,575</u>	<u>302,332</u>
Total current tax	<u>129,575</u>	<u>302,332</u>
Deferred tax		
Origination and reversal of timing differences	69,600	34,714
	<u>69,600</u>	<u>34,714</u>
Total tax charge	<u>199,175</u>	<u>337,046</u>

RADIS LIMITED**NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2022**11 Taxation****(Continued)**

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£	£
Profit before taxation	919,427	1,538,295
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	174,691	292,276
Tax effect of expenses that are not deductible in determining taxable profit	30,419	21,786
Tax effect of utilisation of tax losses not previously recognised	-	13,674
Change in unrecognised deferred tax assets	(1,500)	2,756
Effect of change in corporation tax rate	16,954	4,823
Permanent capital allowances in excess of depreciation	(17,424)	-
Under/(over) provided in prior years	(4,327)	1,731
Deferred tax adjustments in respect of prior years	362	-
Taxation charge	199,175	337,046

12 Dividends

	2022	2021
	£	£
Recognised as distributions to equity holders:		
Interim paid	166,000	164,000

RADIS LIMITED**NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2022**13 Intangible fixed assets**

Group	Goodwill	Software	Contracts	Total
	£	£	£	£
Cost				
At 1 September 2021	5,411,625	-	1,667,102	7,078,727
Additions	-	218,710	-	218,710
At 31 August 2022	5,411,625	218,710	1,667,102	7,297,437
Amortisation and impairment				
At 1 September 2021	5,411,625	-	100,350	5,511,975
Amortisation charged for the year	-	33,558	159,535	193,093
At 31 August 2022	5,411,625	33,558	259,885	5,705,068
Carrying amount				
At 31 August 2022	-	185,152	1,407,217	1,592,369
At 31 August 2021	-	-	1,566,752	1,566,752

The company had no intangible fixed assets at 31 August 2022 or 31 August 2021.

14 Tangible fixed assets

Group	Land and buildings Freehold	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2021	1,798,259	143,966	743,296	14,993	2,700,514
Additions	-	59,532	187,046	-	246,578
At 31 August 2022	1,798,259	203,498	930,342	14,993	2,947,092
Depreciation and impairment					
At 1 September 2021	365,079	112,029	479,906	11,226	968,240
Depreciation charged in the year	52,849	15,903	149,854	3,009	221,615
At 31 August 2022	417,928	127,932	629,760	14,235	1,189,855
Carrying amount					
At 31 August 2022	1,380,331	75,566	300,582	758	1,757,237
At 31 August 2021	1,433,180	31,937	263,390	3,767	1,732,274

RADIS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

14 Tangible fixed assets (Continued)

Company	Land and buildings Freehold £
Cost	
At 1 September 2021 and 31 August 2022	1,208,259
Depreciation and impairment	
At 1 September 2021	365,079
Depreciation charged in the year	21,080
At 31 August 2022	386,159
Carrying amount	
At 31 August 2022	822,100
At 31 August 2021	843,180

15 Investment property

	Group 2022 £	Company 2022 £
Fair value		
At 1 September 2021 and 31 August 2022	565,000	-

Investment property comprises of properties held by DEEP Properties Limited. The properties were professionally valued by Christie & Co in May 2021 and the directors believe the market value at 31 August 2022 does not materially differ.

16 Fixed asset investments

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries	17	-	-	1,184,484	1,184,484

RADIS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

16 Fixed asset investments (Continued)

Movements in fixed asset investments Company

	Shares in subsidiaries £
Cost or valuation	
At 1 September 2021 and 31 August 2022	1,184,484
Carrying amount	
At 31 August 2022	1,184,484
At 31 August 2021	1,184,484

17 Subsidiaries

Details of the company's subsidiaries at 31 August 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
County Home Care Services Limited	England & Wales	Dormant	Ordinary	-	100.00
GP Homecare Limited	England & Wales	Supply of healthcare services	Ordinary	100.00	-
Greenslade Services Limited	England & Wales	Dormant	Ordinary	-	100.00
Radis Staff Solutions Limited	England & Wales	Supply of cleaning staff	Ordinary & Preference	-	100.00
Focus Care Services Limited	England & Wales	Supply of healthcare services	Ordinary	-	100.00
Lucy Glyn Support Services Limited	England & Wales	Supply of healthcare services	Ordinary	-	100.00
DEEP Properties Limited	England & Wales	Investment property	Ordinary	-	100.00

18 Debtors

	Group 2022 £	2021 £	Company 2022 £	2021 £
Amounts falling due within one year:				
Trade debtors	4,200,739	4,250,290	-	-
Corporation tax recoverable	123,964	-	-	-
Amounts owed by group undertakings	-	-	750,387	508,467
Other debtors	766,998	607,435	-	508,256
Prepayments and accrued income	2,467,119	1,671,323	1,050	-
	<u>7,558,820</u>	<u>6,529,048</u>	<u>751,437</u>	<u>1,016,723</u>

RADIS LIMITED**NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2022****19 Creditors: amounts falling due within one year**

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans	21	2,866,655	33,257	2,866,655	33,257
Trade creditors		541,898	860,968	-	21,647
Amounts owed to group undertakings		-	-	33,068	568
Corporation tax payable		86,761	303,389	7,252	-
Other taxation and social security		459,022	520,346	-	-
Other creditors		951,439	711,046	-	965
Accruals and deferred income		3,264,443	3,312,017	33,399	27,005
		<u>8,170,218</u>	<u>5,741,023</u>	<u>2,940,374</u>	<u>83,442</u>

20 Creditors: amounts falling due after more than one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans	21	-	2,866,743	-	2,866,743
		<u>-</u>	<u>2,866,743</u>	<u>-</u>	<u>2,866,743</u>

21 Loans and overdrafts

	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans	2,866,655	2,900,000	2,866,655	2,900,000
	<u>2,866,655</u>	<u>2,900,000</u>	<u>2,866,655</u>	<u>2,900,000</u>
Payable within one year	2,866,655	33,257	2,866,655	33,257
Payable after one year	-	2,866,743	-	2,866,743
	<u>-</u>	<u>2,866,743</u>	<u>-</u>	<u>2,866,743</u>

The bank loan and overdraft is secured by fixed charges over the company's assets and a cross guarantee from other group companies and is repayable within five years.

RADIS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

22 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 2022 £	Liabilities 2021 £
Group		
Accelerated capital allowances	116,253	48,897
Retirement benefit obligations	(6,849)	(9,093)
	<u>109,404</u>	<u>39,804</u>

The company has no deferred tax assets or liabilities.

	Group 2022 £	Company 2022 £
Movements in the year:		
Liability at 1 September 2021	39,804	-
Charge to profit or loss	69,600	-
	<u>109,404</u>	<u>-</u>

23 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	951,416	822,488

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. The group also makes contributions to multi-employer defined benefit pension schemes. Contributions to those schemes are accounted for as defined benefit schemes.

RADIS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

24 Share capital

Group and company	2022	2021	2022	2021
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
"A" ordinary shares of £1 each	4,000	4,000	4,000	4,000
"B" ordinary shares of £1 each	116,000	116,000	116,000	116,000
"C" ordinary shares of £1 each	6,316	6,316	6,316	6,316
	<u>126,316</u>	<u>126,316</u>	<u>126,316</u>	<u>126,316</u>

All classes of shares rank pari passu save in respect of dividends.

25 Reserves

Share premium

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Profit and loss reserves

This reserve includes all current and prior period retained profits and losses.

26 Financial commitments, guarantees and contingent liabilities

There is a cross company guarantee and debenture in place in respect of the group overdraft facility and borrowings totalling £2,866,655 (2021: £2,900,000). At the year end date, all assets within the group are held as security against this.

27 Operating lease commitments

Lessee

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	
	2022	2021	2022	2021
	£	£	£	£
Within one year	181,045	192,207	-	-
Between two and five years	88,902	54,582	-	-
In over five years	7,920	-	-	-
	<u>277,867</u>	<u>246,789</u>	<u>-</u>	<u>-</u>

RADIS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

28 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	214,259	207,619

Transactions with related parties

The group has taken advantage of the exemption available in the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") whereby it has not disclosed transactions between wholly owned undertakings.

GP Homecare Ltd also paid rent to Ridge/Patel Partnership amounting to £44,000 (2021: £44,000), a partnership in which D R Patel, a shareholder in Radis Ltd, is a partner.

At the year end, a loan of £619,561 (2021: £nil) was owed by Baringo Properties Limited, a company controlled by the directors and shareholders S R Patel and D R Patel and is included in 'Other Debtors' (note 18). The loan is unsecured and is interest bearing of 5% per annum rolled up for 3 years.

29 Directors' transactions

Dividends totalling £166,000 (2021 - £164,000) were paid in the year in respect of shares held by the company's directors.

30 Controlling party

The ultimate controlling parties are the directors S Patel and D Patel and other family members.

31 Cash generated from group operations

	2022 £	2021 £
Profit for the year after tax	720,252	1,201,249
Adjustments for:		
Taxation charged	199,175	337,046
Finance costs	172,734	53,402
Investment income	(20,315)	(322)
(Gain)/loss on disposal of tangible fixed assets	-	1,063
Amortisation and impairment of intangible assets	193,093	35,943
Depreciation and impairment of tangible fixed assets	221,615	173,871
Decrease in provisions	-	(31,499)
Movements in working capital:		
Increase in debtors	(286,247)	(2,432,434)
(Decrease)/increase in creditors	(187,575)	1,492,857
Cash generated from operations	1,012,732	831,176

RADIS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

32 Analysis of changes in net funds/(debt) - group

	1 September 2021 £	Cash flows £	31 August 2022 £
Cash at bank and in hand	3,633,929	(894,048)	2,739,881
Borrowings excluding overdrafts	(2,900,000)	33,345	(2,866,655)
	<u>733,929</u>	<u>(860,703)</u>	<u>(126,774)</u>