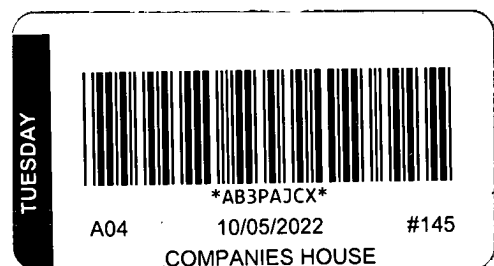


Company Registration No. 03812402 (England and Wales)

RADIS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



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 Silbury Court 420 Silbury Boulevard Central Milton Keynes Buckinghamshire MK9 2AF
Bankers	Royal Bank of Scotland 24 Southernhay Basilston Essex SS14 1ER

RADIS LIMITED

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RADIS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The directors present the strategic report for the year ended 31 August 2021.

Fair review of the business

The Radis group of companies predominately provide care and support services in community settings across three reporting divisions: Visiting Care, Extra Care and Specialist Services. 2020/21 showed a significant increase in new Extra Care locations with an expected annualised turnover in excess of £5m.

During the year the group also acquired the whole share capital of two Supported Living businesses: Focus Care Services Limited and Lucy Glyn Support Services Limited, and a property holding company: DEEP Properties Limited.

The group increased turnover to £40,333,166 (2020: £35,348,802). The increase in turnover was achieved through limited fee increases on existing contracts, significant growth in Extra Care Services, consolidation on the the growth from the prior year and new contracts and acquisitions in Supported Living.

Gross profit margin has increased to 27.7% (2020: 25.1%) mainly through the new contracts and acquisitions where new tender pricing more accurately reflects the costs of the business. On existing contracts, margins continued to experience pressure as costs continues 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 increased in the year to £2,484,441 (2020: £1,259,774) and will be seen for at least part of the following financial year.

The group continued its investment in branch and support staff, funded new contract implementations, IT expenditure and bore significant increases in a number of general cost lines. As a result, there was an increase in administrative expenses to £12,287,641 (2020: £9,094,589). We expect to see further investment in wages, IT costs and new contracts and services which the company believes will position it to continue its growth in new contracts. The group will continue to manage the pressures on administrative costs as part of its business strategy.

Despite margin and cost challenges, turnover growth and the exceptional income from Local Authorities has resulted in an increase in Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) to £1,801,189 (2020: £1,197,225). The improvement in EBITDA was expected due to the consolidation, growth and investment undertaken by the company in 2020/21.

The outlook for 2021/22 will be affected by further investment, capital expenditure, further erosion of margins in all services and the continuing impact of the COVID-19 pandemic. We also expect to see revenue growth from the first full year of our new contracts and acquisitions from 2020/21 and increased diversification within the care sector.

RADIS LIMITED

STRATEGIC REPORT (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2021**

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 continues to invest in its recruitment function and improving terms for employees as much as possible. The group ensures it complies with the requirements of the National Minimum and Living Wages legislation.

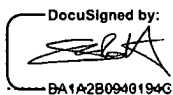
Development and performance

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 grow organically over the next 12 months.

Key performance indicators

The directors consider the key performance indicators to be turnover, gross margins, EBITDA (Earnings before Interest, Tax, Depreciation, Amortisation) and cash flow which are consistent with the size and complexity of the business.

On behalf of the board

DocuSigned by:

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S R Patel
Director

Date: 15/3/2022
Date:

RADIS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The directors present their annual report and financial statements for the year ended 31 August 2021.

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 8.

Ordinary dividends were paid amounting to £164,000. 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

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.

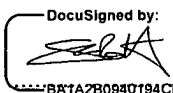
Auditor

The auditor, Mercer & Hole, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

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

15/3/2022

Date:

RADIS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 AUGUST 2021

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 2021 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 FRS 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 2021 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 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.

RADIS LIMITED

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

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.

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 its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. 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.

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.

DocuSigned by:

Andrew Lawes

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

15/3/2022

Date:

Chartered Accountants
Statutory Auditor

Silbury Court
420 Silbury Boulevard
Central Milton Keynes
Buckinghamshire
MK9 2AF

RADIS LIMITED**GROUP STATEMENT OF COMPREHENSIVE INCOME**
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	2020 £
Turnover	3	40,333,166	35,348,802
Cost of sales		(29,156,815)	(26,475,161)
Gross profit		11,176,351	8,873,641
Administrative expenses		(12,287,641)	(9,094,589)
Other operating income		218,224	135,227
Exceptional expenses	4	-	(118,950)
Exceptional income	4	2,484,441	1,259,774
Operating profit	5	1,591,375	1,055,103
Interest receivable and similar income	9	322	4,643
Interest payable and similar expenses	10	(53,402)	(10,296)
Profit before taxation		1,538,295	1,049,450
Tax on profit	11	(337,046)	(229,469)
Profit for the financial year	25	1,201,249	819,981

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 2021**

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	13	1,566,752		7,344	
Tangible assets	14	1,732,274		705,438	
Investment properties	15	565,000		-	
		<u>3,864,026</u>		<u>712,782</u>	
Current assets					
Debtors	18	6,529,048		3,759,509	
Cash at bank and in hand		3,633,929		4,058,570	
		<u>10,162,977</u>		<u>7,818,079</u>	
Creditors: amounts falling due within one year	19	<u>(5,741,023)</u>		<u>(3,881,022)</u>	
Net current assets		<u>4,421,954</u>		<u>3,937,057</u>	
Total assets less current liabilities		<u>8,285,980</u>		<u>4,649,839</u>	
Creditors: amounts falling due after more than one year	20	<u>(2,866,743)</u>		<u>(302,565)</u>	
Provisions for liabilities					
Deferred tax liability	22	39,804		5,090	
		<u>(39,804)</u>		<u>(5,090)</u>	
Net assets		<u>5,379,433</u>		<u>4,342,184</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	5,159,433		4,122,184	
Total equity		<u>5,379,433</u>		<u>4,342,184</u>	

The financial statements were approved by the board of directors and authorised for issue on 15/3/2022
and are signed on its behalf by:

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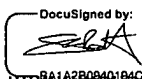
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 S R Patel
 Director

RADIS LIMITED**COMPANY BALANCE SHEET
AS AT 31 AUGUST 2021**

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	14	843,180		529,245	
Investments	16	1,184,484		1,184,484	
		<u>2,027,664</u>		<u>1,713,729</u>	
Current assets					
Debtors	18	1,016,723		-	
Cash at bank and in hand		181,380		-	
		<u>1,198,103</u>		<u>-</u>	
Creditors: amounts falling due within one year	19	(83,442)		(1,189,995)	
Net current assets/(liabilities)		<u>1,114,661</u>		<u>(1,189,995)</u>	
Total assets less current liabilities		<u>3,142,325</u>		<u>523,734</u>	
Creditors: amounts falling due after more than one year	20	(2,866,743)		(302,565)	
Net assets		<u>275,582</u>		<u>221,169</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	55,582		1,169	
Total equity		<u>275,582</u>		<u>221,169</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 £218,414 (2020 - £27,169 loss).

The financial statements were approved by the board of directors and authorised for issue on 15/3/2022 and are signed on its behalf by:

DocuSigned by:

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S R Patel
Director

Company Registration No. 03812402

RADIS LIMITED**GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 September 2019		126,316	93,684	3,470,203	3,690,203
Year ended 31 August 2020:					
Profit and total comprehensive income for the year		-	-	819,981	819,981
Dividends	12	-	-	(168,000)	(168,000)
Balance at 31 August 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

RADIS LIMITED**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 September 2019		126,316	93,684	196,337	416,337
Year ended 31 August 2020:					
Loss and total comprehensive income for the year		-	-	(27,168)	(27,168)
Dividends	12	-	-	(168,000)	(168,000)
Balance at 31 August 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

RADIS LIMITED**GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	31	831,176		2,195,629	
Interest paid		(21,903)		(10,296)	
Income taxes paid		(258,044)		(85,211)	
Net cash inflow from operating activities		551,229		2,100,122	
Investing activities					
Purchase of business		(1,781,516)		-	
Purchase of tangible fixed assets		(1,180,607)		(127,226)	
Proceeds on disposal of tangible fixed assets		6,994		-	
Interest received		322		4,643	
Net cash used in investing activities		(2,954,807)		(122,583)	
Financing activities					
Repayment of borrowings		(172,179)		-	
Proceeds of new bank loans		2,900,000		-	
Repayment of bank loans		(331,866)		(29,031)	
Dividends paid to equity shareholders		(164,000)		(168,000)	
Net cash generated from/(used in) financing activities		2,231,955		(197,031)	
Net (decrease)/increase in cash and cash equivalents		(171,623)		1,780,508	
Cash and cash equivalents at beginning of year		3,805,552		2,025,044	
Cash and cash equivalents at end of year		3,633,929		3,805,552	
Relating to:					
Cash at bank and in hand		3,633,929		4,058,570	
Bank overdrafts included in creditors payable within one year		-		(253,018)	

RADIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

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. 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.

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 £218,414 (2020 - £27,169 loss).

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.

RADIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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 2021. 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.

1.3 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. These forecasts take into account the potential impact of the COVID-19 pandemic on expected levels of trade. 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.

1.4 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.

1.5 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:

Contracts	10 years straight line
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1.6 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 FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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	5% per annum
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.

1.7 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, 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.

1.8 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.

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 FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.9 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.

1.10 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 FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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.

1.11 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.

1.12 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 FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2021**

1 Accounting policies

(Continued)

1.13 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.

1.14 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 company, the company'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.

1.15 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.

1.16 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 FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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:

	2021 £	2020 £
Turnover analysed by class of business		
Provision of care and support services	40,058,663	35,124,427
Provision of cleaning services	270,144	224,375
Rental income	4,359	-
	<u>40,333,166</u>	<u>35,348,802</u>
	2021 £	2020 £
Other significant revenue		
Interest income	322	4,643
Grants received	139,056	135,227
Sundry other income	81,362	-
	<u></u>	<u></u>

RADIS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2021**3 Turnover and other revenue (Continued)**

	2021	2020
	£	£
Turnover analysed by geographical market		
United Kingdom	40,333,166	35,348,802

Grants received relate to amounts received under the Coronavirus Job Retention Scheme.

4 Exceptional item

	2021	2020
	£	£
Expenditure		
Planning and architectural fees	-	118,950
Exceptional income connected with COVID-19	(2,484,441)	(1,259,774)
	<u>(2,484,441)</u>	<u>(1,140,824)</u>

Planning and architectural fees relate to costs for a potential property development project. 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

	2021	2020
	£	£
Operating profit for the year is stated after charging/(crediting):		
Government grants	(139,056)	(135,227)
Depreciation of owned tangible fixed assets	173,871	127,772
Loss on disposal of tangible fixed assets	1,063	-
Amortisation of intangible assets	35,943	14,350
Operating lease charges	290,358	256,580

6 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	13,000	9,920
Audit of the financial statements of the company's subsidiaries	68,450	27,330
	<u>81,450</u>	<u>37,250</u>

RADIS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2021**7 Employees**

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

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Carers	1,937	1,683	-	-
Office and support staff	143	134	-	-
Total	2,080	1,817	-	-

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Wages and salaries	33,817,715	28,851,791	-	-
Social security costs	2,233,532	1,831,210	-	-
Pension costs	822,488	708,130	-	-
	36,873,735	31,391,131	-	-

8 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	195,543	223,889
Company pension contributions to defined contribution schemes	12,076	9,124
	207,619	233,013

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

	2021 £	2020 £
Remuneration for qualifying services	n/a	112,669
Company pension contributions to defined contribution schemes	n/a	5,389

As total directors' remuneration was less than £200,000 in the current year, no disclosure is provided for that year.

RADIS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2021**9 Interest receivable and similar income**

	2021	2020
	£	£
Interest income		
Interest on bank deposits	322	4,643

10 Interest payable and similar expenses

	2021	2020
	£	£
Interest on bank overdrafts and loans	53,402	10,296

11 Taxation

	2021	2020
	£	£
Current tax		
UK corporation tax on profits for the current period	300,601	225,966
Adjustments in respect of prior periods	1,731	(697)
Total current tax	302,332	225,269
Deferred tax		
Origination and reversal of timing differences	34,714	4,200
Total tax charge	337,046	229,469

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:

	2021	2020
	£	£
Profit before taxation	1,538,295	1,049,450
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	292,276	199,396
Tax effect of expenses that are not deductible in determining taxable profit	21,786	30,665
Tax effect of utilisation of tax losses not previously recognised	13,674	-
Change in unrecognised deferred tax assets	2,756	105
Effect of change in deferred tax rate	4,823	-
Under/(over) provided in prior years	1,731	(697)
Taxation charge	337,046	229,469

RADIS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2021**12 Dividends**

	2021	2020
	£	£
Recognised as distributions to equity holders:		
Interim paid	164,000	168,000

13 Intangible fixed assets

Group	Goodwill	Contracts	Total
	£	£	£
Cost			
At 1 September 2020	5,411,625	71,751	5,483,376
Additions - business combinations	-	1,595,351	1,595,351
At 31 August 2021	5,411,625	1,667,102	7,078,727
Amortisation and impairment			
At 1 September 2020	5,411,625	64,407	5,476,032
Amortisation charged for the year	-	35,943	35,943
At 31 August 2021	5,411,625	100,350	5,511,975
Carrying amount			
At 31 August 2021	-	1,566,752	1,566,752
At 31 August 2020	-	7,344	7,344

The company had no intangible fixed assets at 31 August 2021 or 31 August 2020.

RADIS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2021**14 Tangible fixed assets**

Group	Land and buildings Freehold £	Fixtures, fittings & equipment £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 September 2020	836,769	133,988	522,487	7,500	1,500,744
Additions	961,490	5,711	213,406	-	1,180,607
Business combinations	-	4,267	7,403	16,487	28,157
Disposals	-	-	-	(8,994)	(8,994)
At 31 August 2021	1,798,259	143,966	743,296	14,993	2,700,514
Depreciation and impairment					
At 1 September 2020	307,524	100,213	380,069	7,500	795,306
Depreciation charged in the year	57,555	11,816	99,837	4,663	173,871
Eliminated in respect of disposals	-	-	-	(937)	(937)
At 31 August 2021	365,079	112,029	479,906	11,226	968,240
Carrying amount					
At 31 August 2021	1,433,180	31,937	263,390	3,767	1,732,274
At 31 August 2020	529,245	33,775	142,418	-	705,438
Company					Land and buildings Freehold £
Cost					
At 1 September 2020					836,769
Additions					371,490
At 31 August 2021					1,208,259
Depreciation and impairment					
At 1 September 2020					307,524
Depreciation charged in the year					57,555
At 31 August 2021					365,079
Carrying amount					
At 31 August 2021					843,180
At 31 August 2020					529,245

RADIS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2021**15 Investment property**

	Group 2021 £	Company 2021 £
Fair value		
At 1 September 2020 and 31 August 2021	-	-
Additions through business combinations	565,000	-
	<u>565,000</u>	<u>-</u>
At 31 August 2021	<u>565,000</u>	<u>-</u>

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 2021 does not materially differ.

16 Fixed asset investments

		Group 2021 £	2020 £	Company 2021 £	2020 £
	Notes				
Investments in subsidiaries	17	-	-	1,184,484	1,184,484
		<u>-</u>	<u>-</u>	<u>1,184,484</u>	<u>1,184,484</u>

Movements in fixed asset investments

	Shares in subsidiaries £
Company	
Cost or valuation	
At 1 September 2020 and 31 August 2021	1,184,484
	<u>1,184,484</u>
Carrying amount	
At 31 August 2021	1,184,484
	<u>1,184,484</u>
At 31 August 2020	<u>1,184,484</u>

RADIS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2021**17 Subsidiaries**

Details of the company's subsidiaries at 31 August 2021 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 2021	2020	Company 2021	2020
Amounts falling due within one year:	£	£	£	£
Trade debtors	4,250,290	2,399,455	-	-
Amounts owed by group undertakings	-	-	508,467	-
Other debtors	607,435	28,165	508,256	-
Prepayments and accrued income	1,671,323	1,331,889	-	-
	<u>6,529,048</u>	<u>3,759,509</u>	<u>1,016,723</u>	<u>-</u>

19 Creditors: amounts falling due within one year

		Group 2021	2020	Company 2021	2020
	Notes	£	£	£	£
Bank loans and overdrafts	21	33,257	282,319	33,257	282,319
Other borrowings	21	-	121,502	-	121,502
Trade creditors		860,968	286,778	21,647	6,960
Amounts owed to group undertakings		-	-	568	694,102
Corporation tax payable		303,389	205,192	-	7,886
Other taxation and social security		520,346	317,891	-	-
Other creditors		711,046	150,619	965	58,000
Accruals and deferred income		3,312,017	2,516,721	27,005	19,226
		<u>5,741,023</u>	<u>3,881,022</u>	<u>83,442</u>	<u>1,189,995</u>

RADIS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2021**20 Creditors: amounts falling due after more than one year**

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans and overdrafts	21	2,866,743	302,565	2,866,743	302,565

21 Loans and overdrafts

	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans	2,900,000	331,866	2,900,000	331,866
Bank overdrafts	-	253,018	-	253,018
Other loans	-	121,502	-	121,502
	<u>2,900,000</u>	<u>706,386</u>	<u>2,900,000</u>	<u>706,386</u>
Payable within one year	33,257	403,821	33,257	403,821
Payable after one year	<u>2,866,743</u>	<u>302,565</u>	<u>2,866,743</u>	<u>302,565</u>

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

The bank loan in 2020 was refinanced in the current year.

Bank loans in the current year consist of two separate loans of £425,000 (Loan 1A) and £2,475,000 (Loan 1B) under the Coronavirus Business Interruption Loan Scheme. Loan 1A is repayable in monthly instalments of £17,708 commencing August 2022 and incurs interest of 6.5% per annum. Loan 1B is repayable in full in August 2024 and incurs interest of 6.5% per annum.

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:

Group	Liabilities 2021 £	Liabilities 2020 £
Accelerated capital allowances	48,897	16,372
Retirement benefit obligations	(9,093)	(11,282)
	<u>39,804</u>	<u>5,090</u>

The company has no deferred tax assets or liabilities.

RADIS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2021**22 Deferred taxation****(Continued)**

	Group 2021 £	Company 2021 £
Movements in the year:		
Liability at 1 September 2020	5,090	-
Charge to profit or loss	34,714	-
Liability at 31 August 2021	<u>39,804</u>	<u>-</u>

23 Retirement benefit schemes

	2021 £	2020 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>822,488</u>	<u>708,130</u>

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.

24 Share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital 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.

RADIS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2021**26 Acquisition of a business**

On 26 May 2021 the group acquired 100 percent of the issued capital of Focus Care Services Limited.

	Book Value	Adjustments	Fair Value
	£	£	£
Net assets acquired			
Intangible assets (a)	-	241,408	241,408
Property, plant and equipment	1,093	-	1,093
Trade and other receivables	86,962	-	86,962
Cash and cash equivalents	222,967	-	222,967
Borrowings	(50,000)	-	(50,000)
Trade and other payables	(21,630)	-	(21,630)
Tax liabilities	(20,800)	-	(20,800)
	<u>218,592</u>	<u>241,408</u>	<u>460,000</u>
Total identifiable net assets			
Goodwill			-
Total consideration			<u>460,000</u>
The consideration was satisfied by:			£
Cash			<u>460,000</u>

The adjustments arising on acquisition were in respect of the following:

- (a) The fair value of contracts held by the acquired business was recognised.

Contribution by the acquired business for the reporting period included in the group statement of comprehensive income since acquisition:

	£
Turnover	187,422
Loss after tax	<u>(61,180)</u>

RADIS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2021**26 Acquisition of a business****(Continued)**

On 29 June 2021 the group acquired 100 percent of the issued capital of Lucy Glyn Support Services Limited and DEEP Properties Limited.

	Book Value £	Adjustments £	Fair Value £
Net assets acquired			
Intangible assets (a)	-	1,353,943	1,353,943
Property, plant and equipment	27,064	-	27,064
Investment property	565,000	-	565,000
Trade and other receivables	250,143	-	250,143
Cash and cash equivalents	2,774	-	2,774
Borrowings	(677)	-	(677)
Trade and other payables	(187,881)	-	(187,881)
Tax liabilities	(33,109)	-	(33,109)
Total identifiable net assets	623,314	1,353,943	1,977,257
Goodwill			-
Total consideration			1,977,257
The consideration was satisfied by:			£
Cash			1,547,257
Contingent consideration			430,000
			1,977,257
The adjustments arising on acquisition were in respect of the following:			
• (a) The fair value of contracts held by the acquired business was recognised.			
Contribution by the acquired business for the reporting period included in the group statement of comprehensive income since acquisition:			
			£
Turnover			391,177
Profit after tax			34,545

RADIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 2021 £	2020 £	Company 2021 £	2020 £
Within one year	192,207	246,092	-	-
Between two and five years	54,582	108,505	-	-
	<u>246,789</u>	<u>354,597</u>	<u>-</u>	<u>-</u>

28 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	<u>207,619</u>	<u>233,013</u>

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 (2020: £44,000), a partnership in which D R Patel, a shareholder in Radis Ltd, is a partner.

Included in creditors falling due within one year (note 20) is a loan from directors of £nil (2020: £121,502) and directors' current account balances totalling £nil (2020: £58,000).

29 Directors' transactions

Dividends totalling £164,000 (2020 - £168,000) 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 R Patel and D R Patel and other family members.

RADIS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2021**31 Cash generated from group operations**

	2021	2020
	£	£
Profit for the year after tax	1,201,249	819,981
Adjustments for:		
Taxation charged	337,046	229,469
Finance costs	53,402	10,296
Investment income	(322)	(4,643)
Loss on disposal of tangible fixed assets	1,063	-
Amortisation and impairment of intangible assets	35,943	14,350
Depreciation and impairment of tangible fixed assets	173,871	127,772
Non cash other operating income	(31,499)	-
Movements in working capital:		
(Increase)/decrease in debtors	(2,432,434)	1,020,390
Increase/(decrease) in creditors	1,492,857	(21,986)
Cash generated from operations	831,176	2,195,629

32 Analysis of changes in net funds - group

	1 September 2020	Cash flows	31 August 2021
	£	£	£
Cash at bank and in hand	4,058,570	(424,641)	3,633,929
Bank overdrafts	(253,018)	253,018	-
	<u>3,805,552</u>	<u>(171,623)</u>	<u>3,633,929</u>
Borrowings excluding overdrafts	(453,368)	(2,446,632)	(2,900,000)
	<u>3,352,184</u>	<u>(2,618,255)</u>	<u>733,929</u>