

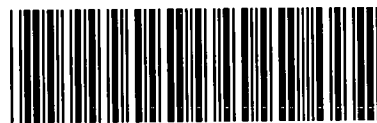
Care Cymru Services Limited

Registered number: 4559246

Directors' report and financial statements

For the year ended 31 August 2021

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COMPANIES HOUSE

CARE CYMRU SERVICES LIMITED

COMPANY INFORMATION

DIRECTORS

D Stapelberg
S Roberts
N Jayne
D Jolly
C Moraitis
J Weight

COMPANY SECRETARY

L Peach

REGISTERED NUMBER

4559246

REGISTERED OFFICE

Unit 5B
Ground Floor, Longcross Court
47 Newport Road
Cardiff
Glamorgan
CF24 0AD

INDEPENDENT AUDITOR

Mazars LLP
Chartered Accountants
Two Chamberlain Square
Birmingham
B3 3AX

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**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

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

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

COVID-19

The Directors continue to monitor the ongoing impact of COVID-19. Where appropriate the Directors have made use of government support for the Company during the year and consider, based on experience to date, that any impact from further waves of infection can be managed and appropriately mitigated.

GOING CONCERN

Forecasts have been prepared, up to 31 December 2023, which incorporate assumptions about the market in which the Company operates in and key relationships with its customers. These forecasts predict the Company will continue to trade in the foreseeable future and accordingly, the directors continue to adopt the going concern basis in preparing the annual report and accounts.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £904,475 (2020 - £758,020).

The company paid a dividend of £Nil (2020 - £2,000) per Ordinary share totalling £Nil (2020 - £200,000) during the year.

CARE CYMRU SERVICES LIMITED

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

DIRECTORS

The directors who served during the year were:

RS Bains (resigned 3 December 2021)
D Stapelberg
N Jayne (resigned 14 May 2021, reappointed 15 December 2021)
S Roberts (appointed 1 June 2021)
D Jolly (appointed 3 December 2021)
C Moraitis (appointed 3 December 2021)
J Weight (appointed 3 December 2021)

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

POST BALANCE SHEET EVENTS

On 3 December 2021 the shares of Care Cymru Services Limited were sold to WPC13 Limited.

AUDITOR

The auditor, Mazars LLP, is deemed to be reappointed in accordance with section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on 31 May 2015.

SMALL COMPANIES NOTE

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 27 May 2022 and signed on its behalf.



D Stapelberg
Director

CARE CYMRU SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARE CYMRU SERVICES LIMITED

Opinion

We have audited the financial statements of Care Cymru Services Limited (the 'Company') for the year ended 31 August 2021 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of 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 company's affairs as at 31 August 2021 and of its 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 director's 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARE CYMRU SERVICES LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specific by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 1, 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARE CYMRU SERVICES LIMITED

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 the financial statements.

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

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.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements; UK tax legislation and employment regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, revenue recognition (which we pinpointed to the cut-off of revenue recognised in the year), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARE CYMRU SERVICES LIMITED

Use of the audit 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.

Ian Holder

Ian Holder (Senior statutory auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Two Chamberlain Square
Birmingham
B3 3AX

27 May 2022

CARE CYMRU SERVICES LIMITED

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

	Note	2021, £	2020 £
Turnover		7,472,436	6,450,778
Cost of sales		(5,076,694)	(4,219,310)
GROSS PROFIT		<u>2,395,742</u>	<u>2,231,468</u>
Administrative expenses		(1,305,182)	(1,286,437)
Exceptional administrative expenses		(3,033)	-
Other operating income		<u>5,400</u>	<u>-</u>
OPERATING PROFIT		<u>1,092,927</u>	<u>945,031</u>
Interest payable and expenses		(1)	(2,619)
PROFIT BEFORE TAX		<u>1,092,926</u>	<u>942,412</u>
Tax on profit	5	(188,451)	(184,392)
PROFIT FOR THE FINANCIAL YEAR		<u><u>904,475</u></u>	<u><u>758,020</u></u>

There was no other comprehensive income for 2021 (2020:£NIL).

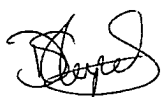
The notes on pages 10 to 19 form part of these financial statements.

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	7	4,023	4,972
		<u>4,023</u>	<u>4,972</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	8	3,780,978	3,618,975
Cash at bank and in hand	9	759,160	57,408
		<u>4,540,138</u>	<u>3,676,383</u>
Creditors: amounts falling due within one year	10	(1,696,834)	(1,738,503)
NET CURRENT ASSETS		<u>2,843,304</u>	<u>1,937,880</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,847,327</u>	<u>1,942,852</u>
NET ASSETS		<u>2,847,327</u>	<u>1,942,852</u>
CAPITAL AND RESERVES			
Called up share capital		100	100
Profit and loss account		2,847,227	1,942,752
		<u>2,847,327</u>	<u>1,942,852</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 May 2022.



D Stapelberg
 Director -

The notes on pages 10 to 19 form part of these financial statements.

CARE CYMRU SERVICES LIMITED

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

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 September 2020	100	1,942,752	1,942,852
COMPREHENSIVE INCOME FOR THE YEAR			
Profit for the year	-	904,475	904,475
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	904,475	904,475
Dividends: Equity capital	-	-	-
AT 31 AUGUST 2021	<u>100</u>	<u>2,847,227</u>	<u>2,847,327</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2020**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 September 2019	100	1,384,732	1,384,832
COMPREHENSIVE INCOME FOR THE YEAR			
Profit for the year	-	758,020	758,020
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	758,020	758,020
Dividends: Equity capital	-	(200,000)	(200,000)
AT 31 AUGUST 2020	<u>100</u>	<u>1,942,752</u>	<u>1,942,852</u>

The notes on pages 10 to 19 form part of these financial statements.

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

1. GENERAL INFORMATION

Care Cymru Services Limited (the company) is a private limited company, by shares, incorporated and domiciled in the United Kingdom. The address of its registered office and principal place of business is Unit 5B Ground Floor, Longcross Court, 47 Newport Road, Cardiff, Glamorgan, CF24 0AD.

The company's principal activity is the provision of home care services.

The financial statements are prepared in Sterling, which is considered to be the functional currency of the company, and are rounded to the nearest £1.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 GOING CONCERN

The Directors have prepared a going concern assessment based on forecasts for a period up to December 2023, including realistic downside scenarios. They have considered the current risks and opportunities facing the Company, and the Group of which it is part of, and their potential impact on the cash flows expected to be generated. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to manage business risk successfully.

After making enquiries and considering the potential future impact of Brexit and COVID-19, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

The directors therefore continue to adopt the going concern basis in preparing the financial statements.

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

2. ACCOUNTING POLICIES (CONTINUED)**2.3 REVENUE**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as below;

Depreciation is provided on the following basis:

Long-term leasehold property	-	over the term of the lease
Fixtures and fittings	-	25% straight line
Office equipment	-	25% straight line
Computer equipment	-	33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.5 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

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

2. ACCOUNTING POLICIES (CONTINUED)

2.6 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.8 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

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

2. ACCOUNTING POLICIES (CONTINUED)

2.9 FINANCE COSTS

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.11 OPERATING LEASES

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.12 PENSIONS

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.13 BORROWING COSTS

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.14 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

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

2. ACCOUNTING POLICIES (CONTINUED)**2.15 CURRENT AND DEFERRED TAXATION**

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

The preparation of the financial statements in conformity with generally accepted accounting principles requires the directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results in the future could differ from those estimates. In this regards, the Directors believe that there are no critical accounting policies where judgements or estimations are necessarily applied in the financial statements.

4. EMPLOYEES

The average monthly number of employees, including the directors, during the year was as follows:

	2021 No.	2020 No.
Carers	361	350
Administrators	33	34
Directors	3	3
	<hr/> 397	<hr/> 387

Two (2020 – two) of the Directors are remunerated by another group company

CARE CYMRU SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021****5. TAXATION**

	2021	2020
	£	£
CORPORATION TAX		
Current tax on profits for the year	208,039	179,279
Adjustments in respect of previous periods	(17,686)	7,071
	<u>190,353</u>	<u>186,350</u>
TOTAL CURRENT TAX	<u>190,353</u>	<u>186,350</u>
DEFERRED TAX		
Origination and reversal of timing differences	(492)	(1,958)
Adjustments in respect of previous periods	(9)	-
Effect of tax rate change on opening balance	(1,401)	-
TOTAL DEFERRED TAX	<u>(1,902)</u>	<u>(1,958)</u>
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	<u>188,451</u>	<u>184,392</u>

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021	2020
	£	£
Profit on ordinary activities before tax	<u>1,092,926</u>	<u>942,412</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	207,656	179,058
EFFECTS OF:		
Expenses not deductible for tax purposes	-	220
Adjustments to tax charge in respect of prior periods	(17,695)	7,071
Remeasurement of deferred tax for changes in tax rates	(1,518)	
Movement in deferred tax not recognised	9	
Other differences leading to an increase (decrease) in the tax charge	(1)	(1,957)
TOTAL TAX CHARGE FOR THE YEAR	<u>188,451</u>	<u>184,392</u>

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

6. DIVIDENDS

	2021 £	2020 £
ORDINARY SHARES		
Dividends paid in the year	-	200,000

7. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
COST					
At 1 September 2020	21,505	19,515	83,743	50,217	174,980
Additions	-	2,100	-	-	2,100
At 31 August 2021	21,505	21,615	83,743	50,217	177,080
DEPRECIATION					
At 1 September 2020	21,505	18,335	81,695	48,473	170,008
Charge for the year	-	743	1,428	878	3,049
At 31 August 2021	21,505	19,078	83,123	49,351	173,057
NET BOOK VALUE					
At 31 August 2021	-	2,537	620	866	4,023
At 31 August 2020	-	1,180	2,048	1,744	4,972

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

8. DEBTORS

	2021 £	2020 £
Trade debtors	540,425	842,308
Amounts owed by group undertakings	3,189,111	2,720,258
Other debtors	1,500	9,450
Prepayments and accrued income	43,615	42,534
Deferred taxation	6,327	4,425
	<u>3,780,978</u>	<u>3,618,975</u>

9. CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash at bank and in hand	<u>759,160</u>	<u>57,408</u>

10. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
CID facility	480	481
Trade creditors	24,363	33,657
Amounts owed to group undertakings	753,512	901,000
Corporation tax	208,039	179,279
Other taxation and social security	118,896	89,555
Other creditors	118,306	118,477
Accruals and deferred income	473,238	416,054
	<u>1,696,834</u>	<u>1,738,503</u>

The CID facility relates to a confidential invoice discounting facility which is secured on the trade debtors, the balance of which is continually renewed as trade continues. This facility has been closed since the year end.

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

11. DEFERRED TAXATION

	2021 £
At beginning of year	4,425
Charged to profit or loss	1,902
AT END OF YEAR	6,327

The deferred tax asset is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	1,893	1,765
Other short term timing differences	4,434	2,660
	6,327	4,425

12. CONTINGENCIES

The banking facilities within the Grosvenor Health and Social Care Limited group are secured via fixed and floating charges over all of the assets of the group. At 31 August 2021 the total net bank assets of the group companies amounted to £4,950,421 (2020 - £301,199 net borrowings).

13. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £76,091 (2020 - £62,762). Contributions totalling £18,699 (2020 - £13,952) were payable to the fund at the balance sheet date and are included in creditors.

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

14. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	99,855	95,452
Later than 1 year and not later than 5 years	168,168	260,222
	<u>268,023</u>	<u>355,674</u>

15. CONTROLLING PARTY

At the balance sheet date, the ultimate parent undertaking was Grosvenor Health and Social Care Limited, which owned 100% of the share capital of this company. The consolidated financial statements of Grosvenor Health and Social Care Limited may be obtained from Unit 9 Pendeford Place, Pendeford Business Park, Wobaston Road, Wolverhampton, WV9 5HD.

16. POST BALANCE SHEET EVENTS

On 3 December 2021 the share capital of the subsidiaries of Grosvenor Health and Social Care Limited group were sold to WPC13 Limited (company number 13528631). The ultimate parent undertaking became Obotritia KGaA, a company registered in Germany.