

Registered number: 06341478

HIGHLEA CARE LIMITED

UNAUDITED
FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 30 MARCH 2022

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HIGHLEA CARE LIMITED

COMPANY INFORMATION

Directors

J F Allen
M Cleasby
F Lalani
C J Leake
K Lewis
J Mawji
M Ranson
D Rowe-Bewick

Registered number

06341478

Registered office

Suite 22 The Globe Centre
St James Square
Accrington
BB5 0RE

Accountants

Grant Thornton UK LLP
Chartered Accountants
Royal Liver Building
Liverpool
L3 1PS

HIGHLEA CARE LIMITED

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Report to the Directors on the preparation of the unaudited statutory financial statements of Highlea Care Ltd for the year ended 30 March 2022

We have compiled the accompanying financial statements of Highlea Care Limited (the 'company') based on the information you have provided. These financial statements comprise the Statement of Financial Position of Highlea Care Limited as at 30 March 2022, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), 'Compilation Engagements'.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). As a member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at www.icaew.com

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

This report is made solely to the Company's Directors, as a body, in accordance with the terms of our engagement letter dated 12 August 2022. Our work has been undertaken solely to prepare for your approval the financial statements of the company and state those matters that we have agreed to state to the Company's Directors, as a body, in this report in accordance with our engagement letter dated 12 August 2022. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its Directors, as a body, for our work or for this report.

Grant Thornton UK LLP

Grant Thornton UK LLP
Chartered Accountants
Liverpool

Date: 3/2/2023

HIGHLEA CARE LIMITED
REGISTERED NUMBER:06341478

STATEMENT OF FINANCIAL POSITION
AS AT 30 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	4	3,738	4,484
Current assets			
Debtors: amounts falling due within one year	5	2,933,524	1,974,116
Cash at bank and in hand		79,973	191,173
		<u>3,013,497</u>	<u>2,165,289</u>
Creditors: amounts falling due within one year	6	(1,995,099)	(1,510,609)
Net current assets		<u>1,018,398</u>	<u>654,680</u>
Total assets less current liabilities		<u>1,022,136</u>	<u>659,164</u>
Provisions for liabilities			
Other provisions		-	(746)
		<u>-</u>	<u>(746)</u>
Net assets		<u><u>1,022,136</u></u>	<u><u>658,418</u></u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		1,022,135	658,417
		<u><u>1,022,136</u></u>	<u><u>658,418</u></u>

HIGHLEA CARE LIMITED
REGISTERED NUMBER:06341478

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 MARCH 2022

The Directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

David Rowe-Bewick

D Rowe-Bewick
Director

Date: 27/1/2023

The notes on pages 4 to 11 form part of these financial statements.

HIGHLEA CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 MARCH 2022**

1. General information

Highlea Care Limited is a private company limited by shares incorporated in England and Wales. Its registered number is 06341478. The registered office is Suite 22 The Globe Centre, St James Square, Accrington, Lancashire, BB5 0RE.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

In the annual review of the Company's status as a going concern, the Directors have considered the ongoing impacts of the COVID-19 pandemic. During the pandemic the Government provided additional assistance to the Care Sector to ensure continuity of service, this support was materially withdrawn at the end of March-22. The Company continues to incur additional costs in relation to lasting effects of COVID-19 on the Care Sector in the form of additional cleaning and PPE, and in particular, the widely publicised impact on recruitment leading to increased agency costs. However, the Directors have prepared and assessed future forecasts based on receiving no further funding and do not consider there to be any present risk to the going concern status of the Company.

2.3 Turnover

Turnover represents consideration received in respect of the provision of care, support services to individuals. Revenue is recognised in respect of contracted or delivered services provided within the relevant period in accordance with contracted terms. Revenue invoiced in advance of the relevant period is included within deferred income until the recognition criteria are met. Revenue recognised in relation to the relevant period, but not yet invoiced is included within accrued income.

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

HIGHLEA CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 MARCH 2022**

2. Accounting policies (continued)**2.5 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 statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.6 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 statement of financial position 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 statement of financial position 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 statement of financial position date.

2.7 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.

HIGHLEA CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 MARCH 2022

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Fixtures and fittings	-	20%
Computers	-	33%

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.

2.8 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.

2.9 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.

2.10 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.

2.11 Financial instruments

The Company only enters into basic financial instrument 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, loans to related parties and investments in ordinary shares.

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.

HIGHLEA CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 MARCH 2022**

2. Accounting policies (continued)

2.11 Financial instruments (continued)

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 profit or loss.

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 statement of financial position date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position 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.

3. Employees

The average monthly number of employees, including Directors, during the year was 129 (2021 - 127).

HIGHLEA CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 MARCH 2022**

4. Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 31 March 2021	13,648	6,406	20,054
Additions	-	1,808	1,808
Disposals	(13,075)	(1,085)	(14,160)
At 30 March 2022	<u>573</u>	<u>7,129</u>	<u>7,702</u>
Depreciation			
At 31 March 2021	12,593	2,977	15,570
Charge for the year	676	1,878	2,554
Disposals	(13,075)	(1,085)	(14,160)
At 30 March 2022	<u>194</u>	<u>3,770</u>	<u>3,964</u>
Net book value			
At 30 March 2022	<u>379</u>	<u>3,359</u>	<u>3,738</u>
At 30 March 2021	<u>1,055</u>	<u>3,429</u>	<u>4,484</u>

HIGHLEA CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 MARCH 2022**

5. Debtors

	2022	2021
	£	£
Trade debtors	581,242	-
Amounts owed by group undertakings	2,189,468	1,649,492
Other debtors	-	69,283
Prepayments and accrued income	160,655	254,943
Deferred tax	2,159	398
	<u>2,933,524</u>	<u>1,974,116</u>

6. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	38,359	83,804
Amounts owed to group undertakings	1,355,788	807,661
Corporation tax	116,284	31,406
Other taxation and social security	119,671	79,059
Other creditors	234,332	507,714
Accruals and deferred income	130,665	965
	<u>1,995,099</u>	<u>1,510,609</u>

HIGHLEA CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 MARCH 2022**

7. Deferred taxation

	2022 £	2021 £
At beginning of year	398	-
Charged to profit or loss	1,761	398
At end of year	2,159	398

The deferred tax asset is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	2,159	398
	2,159	398

8. Contingent liabilities

The company has provided a security to AIB Group (UK) PLC on behalf of its intermediate parent company, National Care Group Ltd for its liabilities of £20,930,750 (2021: £17,312,750) by way of fixed and floating charges over the assets of the company.

9. 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 £34,952 (2021: £34,491). Contributions totalling £11,918 (2021: £8,931) were payable to the fund at the statement of financial position date and are included in other creditors.

10. Related party transactions

The company has taken advantage of the exemption conferred by section 1A of FRS 102 not to disclose transactions with wholly owned members of the group headed by National Care Group Holdings Limited.

HIGHLEA CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 MARCH 2022**

11. Controlling party

The immediate parent company was Highlea Homes Limited. On 22 July 2022, National Care Group Ltd purchased 100% of the ordinary share capital and became the immediate parent company. The ultimate parent company is National Care Group Holdings Limited, which is registered in England and Wales, and controlled by the Directors.

National Care Group Holdings Limited prepares group financial statements and copies can be obtained from Companies House.