

Company registration number 09038912 (England and Wales)

CAMBERLEY CARE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

KLSA
Chartered Accountants

PKF
Member firm of PKF International Ltd

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COMPANIES HOUSE

CAMBERLEY CARE LIMITED

COMPANY INFORMATION

Directors	Shivaan Shillin Popat Paavan Popat Gagan Puri
Secretary	Gagan Puri
Company number	09038912
Registered office	36 Railway Approach Station Road Harrow Middlesex HA3 5AA
Auditor	KLSA LLP Kalamu House 11 Coldbath Square London EC1R 5HL
Bankers	HSBC Bank Plc (Canary Wharf) Canada Place Canary Wharf London E14 5AH
Solicitors	Shoosmiths LLP 6th Floor 1 St Martin's Le Grand London EC1A 4AS

CAMBERLEY CARE LIMITED

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CAMBERLEY CARE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2022

The directors present the strategic report for the year ended 30 April 2022.

Fair review of the business

The company continues to trade well. The company has generated a profit after tax of £246,590 (2021 - loss of £262,225). At the end of the year the company had net assets of £11,952,243 (2021 - £12,421,005).

Principal risks and uncertainties

The principle risk and uncertainties facing the company relate to adverse findings by the Care Quality Commission. However, the company ensures that the care home is run at an exceptional standard.

Another risk facing the industry as a whole is the use of agency staff to meet employment demands. The company aims to minimise the reliance placed on agency staff by ensuring the care home has sufficient staff available.

The directors continually review the risks and uncertainties throughout the year and believe that they have the management and systems in place to deal with changing situations.

Key performance indicators

In the opinion of the directors, key performance indicators of the company includes gross profit margin and occupancy levels of the care home, which are closely monitored by the directors. Gross profit of 23% (2021 - 8%) was achieved during the year. The current occupancy levels are in line with the directors' expectations in the current climate.

On behalf of the board



Paavan Popat
Director

9 December 2022

CAMBERLEY CARE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2022

The directors present their annual report and financial statements for the year ended 30 April 2022.

Principal activities

The principal activity of the company continued to be that of operation of a care home.

Directors

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

Shivaan Shillin Popat
Paavan Popat
Gagan Puri

Future developments

The company intends to continue to operate on the same basis.

Auditor

HW Fishers LLP resigned as auditor on 08 April 2022 in accordance with section 516 of the Companies Act 2006.

KLSA LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

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 company's auditor 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 company's auditor is aware of that information.

On behalf of the board



Paavan Popat
Director

9 December 2022

CAMBERLEY CARE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 APRIL 2022

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 and then apply them consistently;
- make judgements 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 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.

CAMBERLEY CARE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CAMBERLEY CARE LIMITED

Opinion

We have audited the financial statements of Camberley Care Limited (the 'company') for the year ended 30 April 2022 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2022 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 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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

CAMBERLEY CARE LIMITED

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

Matters on which we are required to report by exception

In the 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 strategic report and 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 specified 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.

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 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.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations

To identify risks of material misstatement due to any irregularities, including fraud and non-compliance with laws and regulations, we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the operations of the company, financial statements including the Companies Act 2006, taxation legislation and data protection, employment, health and safety legislation and Care Quality Commission (Registration) Regulations 2009; and
- using our knowledge of the company, together with the discussions held with the company at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to the risk assessment.

CAMBERLEY CARE LIMITED

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

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions;
- reviewed the financial statements disclosures and determining whether accounting policies have been appropriately applied;
- obtaining third-party confirmation of material bank balances;
- documenting and verifying all significant related party balances and transactions.

To address the risk of non-compliance with laws and regulations, we communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation) and taxation legislation (including payroll taxes) and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statements items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Company's license to operate. We identified the following areas as those most likely to have such an effect: Care Quality Commission's Inspections and healthcare and safety legislation regulations. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

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 instance, any non-compliance with laws and regulations and fraud which is far removed from transactions reflected in the financial statements would diminish the likelihood of detection. Furthermore, the risk of not detecting a material misstatement due to fraud is greater than the risk of not detecting one resulting from error.

Fraud may involve deliberate concealment by, for example, forgery or intentional omissions, misrepresentation, or through an act of collusion that would mitigate internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud 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.

CAMBERLEY CARE LIMITED

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

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.



**Shilpa Chheda (Senior Statutory Auditor)
For and on behalf of KLSA LLP**

9 December 2022

**Chartered Accountants
Statutory Auditor**

Kalamu House
11 Coldbath Square
London
EC1R 5HL

CAMBERLEY CARE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2022

	Notes	2022 £	2021 £
Turnover	3	3,701,868	3,113,558
Cost of sales		(2,821,248)	(2,855,154)
Gross profit		880,620	258,404
Administrative expenses		(219,163)	(439,042)
Other operating income		121,202	203,437
Operating profit	4	782,659	22,799
Interest receivable and similar income	6	1,054	3,020
Interest payable and similar expenses	7	(325,258)	(196,240)
Profit/(loss) before taxation		458,455	(170,421)
Tax on profit/(loss)	8	(211,865)	(91,804)
Profit/(loss) for the financial year		246,590	(262,225)

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

CAMBERLEY CARE LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2022

	2022 £	2021 £
Profit/(loss) for the year	246,590	(262,225)
Other comprehensive income		
Revaluation of tangible fixed assets	-	(935,922)
Tax relating to other comprehensive income	(715,352)	259,084
Other comprehensive income for the year	(715,352)	(676,838)
Total comprehensive income for the year	(468,762)	(939,063)

CAMBERLEY CARE LIMITED

BALANCE SHEET

AS AT 30 APRIL 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		19,771,507		20,240,000
Current assets					
Debtors	11	6,203,408		4,921,956	
Cash at bank and in hand		2,499,296		899,511	
		8,702,704		5,821,467	
Creditors: amounts falling due within one year	12	(1,726,178)		(1,888,250)	
Net current assets			6,976,526		3,933,217
Total assets less current liabilities			26,748,033		24,173,217
Creditors: amounts falling due after more than one year	13		(11,285,710)		(9,022,780)
Provisions for liabilities					
Deferred tax liability	15	3,510,080		2,729,432	
			(3,510,080)		(2,729,432)
Net assets			11,952,243		12,421,005
Capital and reserves					
Called up share capital	17		1		1
Revaluation reserve			10,910,562		11,903,737
Profit and loss reserves			1,041,680		517,267
Total equity			11,952,243		12,421,005

The financial statements were approved by the board of directors and authorised for issue on 9 December 2022 and are signed on its behalf by:



Paavan Popat
Director

Company Registration No. 09038912

CAMBERLEY CARE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2022

	Notes	Share capital £	Revaluation reserve £	Profit and loss reserves £	Total £
Balance at 1 May 2020		1	12,912,095	1,877,972	14,790,068
Year ended 30 April 2021:					
Loss for the year		-	-	(262,225)	(262,225)
Other comprehensive income:					
Revaluation of tangible fixed assets		-	(935,922)	-	(935,922)
Tax relating to other comprehensive income		-	259,084	-	259,084
Total comprehensive income for the year		-	(676,838)	(262,225)	(939,063)
Dividends	9	-	-	(1,430,000)	(1,430,000)
Transfer of excess depreciation		-	(331,520)	331,520	-
Balance at 30 April 2021		1	11,903,737	517,267	12,421,005
Year ended 30 April 2022:					
Profit for the year		-	-	246,590	246,590
Other comprehensive income:					
Tax relating to other comprehensive income		-	(715,352)	-	(715,352)
Total comprehensive income for the year		-	(715,352)	246,590	(468,762)
Transfer of excess depreciation		-	(277,823)	277,823	-
Balance at 30 April 2022		1	10,910,562	1,041,680	11,952,243

CAMBERLEY CARE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	21		451,603		(430,967)
Interest paid			(325,258)		(196,240)
Income taxes paid			(186,596)		(146,970)
Net cash outflow from operating activities			(60,251)		(774,177)
Investing activities					
Purchase of tangible fixed assets		(44,343)		(31,758)	
Loans advanced		(472,495)		-	
Interest received		1,054		-	
Net cash used in investing activities			(515,784)		(31,758)
Financing activities					
Proceeds of new bank loans		2,311,820		-	
Repayment of bank loans		(136,000)		(452,180)	
Dividends paid		-		(1,430,000)	
Net cash generated from/(used in) financing activities			2,175,820		(1,882,180)
Net increase/(decrease) in cash and cash equivalents			1,599,785		(2,688,115)
Cash and cash equivalents at beginning of year			899,511		3,587,626
Cash and cash equivalents at end of year			2,499,296		899,511

CAMBERLEY CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

Company information

Camberley Care Limited is a private company limited by shares incorporated in England and Wales. The registered office is 36 Railway Approach, Station Road, Harrow, Middlesex, HA3 5AA.

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, modified to include the revaluation of freehold properties at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have considered the effect of the Covid-19 pandemic. The directors consider that the pandemic has caused some disruption to the company's business. However, with tighter operational controls and government support, the directors believe that the company has been able to mitigate the Covid-19 impact on the business and it will keep on trading and generate positive cash flows. Accordingly, the directors have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents fees receivable for care services. Turnover is recognised as it is incurred, either weekly or monthly. Where charges are billed in advance these are recorded as deferred income.

1.4 Tangible fixed assets

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

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:

Freehold buildings	Straight line over 50 years
Plant and machinery	15% Straight line

Freehold land is not depreciated.

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 credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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).

CAMBERLEY CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset 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 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 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.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company 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 company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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 are assessed for indicators of impairment at each reporting end date.

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 company after deducting all of its liabilities.

CAMBERLEY CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

1.8 Equity instruments

Equity instruments issued by the company 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 company.

1.9 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 company'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 when the company has 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.

1.10 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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

CAMBERLEY CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.13 Government grants

Government grants, which include amounts received under the Coronavirus Job Retention Scheme, 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. The Income is recognised in other income on a systematic basis over the periods in which the associated costs are incurred using the accrual model.

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.

2 Judgements and key sources of estimation uncertainty

In the application of the company'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.

Impairment of debtors

The company reviews their portfolio of trade debtors on an annual basis. In determining whether trade debtors are impaired, the management makes judgment as to whether there is any evidence indicating that there is a measurable decrease in the estimated future cash flows expected.

CAMBERLEY CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

2 Judgements and key sources of estimation uncertainty

(Continued)

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.

Revaluation of freehold land and buildings

The company carries its property, used in the business, at fair value. It has a carrying amount at the balance sheet date of £19.7m (2021 - £20.1m). Changes in fair value are recognised through other comprehensive income. The company engaged independent valuation specialists to determine the fair value of their care homes in March 2021. The valuation was based on an estimate of the maintainable level of trade and future profitability a competent operator of a business conducted on the premises acting in an efficient manner would expect to achieve. As with all properties valued by reference to trading potential, valuations are vulnerable to external influences and the introduction of competition. The trading valuation is inextricably linked to the performance of the national economy. As at 30 April 2022 the directors believe that the fair value of the land and buildings materially reflects the market value.

3 Turnover and other revenue

	2022 £	2021 £
Turnover analysed by class of business		
Fee Income	3,701,868	3,117,254
Admin Fees	-	(3,696)
	<u>3,701,868</u>	<u>3,113,558</u>
	2022 £	2021 £
Turnover analysed by geographical market		
United Kingdom	<u>3,701,868</u>	<u>3,113,558</u>
	2022 £	2021 £
Other revenue		
Interest income	1,054	3,020
Grants received	<u>117,002</u>	<u>201,937</u>
4 Operating profit		
	2022 £	2021 £
Operating profit for the year is stated after charging/(crediting):		
Government grants	(117,002)	(201,937)
Depreciation of owned tangible fixed assets	<u>512,836</u>	<u>561,173</u>

CAMBERLEY CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

5 Employees

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

	2022 Number	2021 Number
Care Staff	61	72
Administration	7	8
Managerial	2	2
Total	<u>70</u>	<u>82</u>

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	1,659,823	1,669,795
Social security costs	140,963	135,515
Pension costs	26,353	26,525
	<u>1,827,139</u>	<u>1,831,835</u>

6 Interest receivable and similar income

	2022 £	2021 £
Interest income		
Other interest income	<u>1,054</u>	<u>3,020</u>

7 Interest payable and similar expenses

	2022 £	2021 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	302,238	196,240
Other interest on financial liabilities	<u>23,020</u>	<u>-</u>
	<u>325,258</u>	<u>196,240</u>

8 Taxation

	2022 £	2021 £
Current tax		
UK corporation tax on profits for the current period	<u>146,569</u>	<u>84,936</u>

CAMBERLEY CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

8 Taxation

(Continued)

	2022 £	2021 £
Deferred tax		
Origination and reversal of timing differences	65,296	6,868
	<u> </u>	<u> </u>
Total tax charge	<u>211,865</u>	<u>91,804</u>

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

	2022 £	2021 £
Profit/(loss) before taxation	458,455	(170,421)
	<u> </u>	<u> </u>
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	87,106	(32,380)
Tax effect of expenses that are not deductible in determining taxable profit	45	48,942
Permanent capital allowances in excess of depreciation	(11,637)	-
Depreciation on assets not qualifying for tax allowances	71,056	75,463
Deferred tax provision	-	(221)
Deferred tax adjustment	65,295	-
	<u> </u>	<u> </u>
Taxation charge for the year	<u>211,865</u>	<u>91,804</u>

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2022 £	2021 £
Deferred tax arising on:		
Revaluation of property	715,352	(259,084)
	<u> </u>	<u> </u>

9 Dividends

	2022 £	2021 £
Interim paid	-	1,430,000
	<u> </u>	<u> </u>

CAMBERLEY CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

10 Tangible fixed assets

	Freehold buildings £	Plant and machinery £	Total £
Cost or valuation			
At 1 May 2021	20,091,119	907,691	20,998,810
Additions	-	44,343	44,343
At 30 April 2022	20,091,119	952,034	21,043,153
Depreciation and impairment			
At 1 May 2021	-	758,810	758,810
Depreciation charged in the year	373,983	138,853	512,836
At 30 April 2022	373,983	897,663	1,271,646
Carrying amount			
At 30 April 2022	19,717,136	54,371	19,771,507
At 30 April 2021	20,091,119	148,881	20,240,000

The carrying value of land and buildings comprises:

	2022 £	2021 £
Freehold	19,717,136	20,091,119

Land and buildings with a carrying amount of £19.7m were revalued in March 2021 by CB Richard Ellis Limited, an independent valuer not connected with the company. The valuation was based on an estimate of the maintainable level of trade and future profitability a component operator of a business conducted on the premises acting in efficient manner would expect to achieve. As with the property valued by reference to trading potential, valuation is vulnerable to external influences, and the introduction of competition. The trading valuation is inextricably linked to the performance of the national economy. As at 30 April 2022 the directors believe that the fair value of the land and buildings materially reflects the market value.

All other tangible fixed assets are stated at historical costs.

The following assets are carried at valuation. If the assets were measured using the cost model, the carrying amounts would be as follows:

	Freehold buildings	
	2022 £	2021 £
Cost	6,199,970	6,199,970
Accumulated depreciation	(670,102)	(573,942)
Carrying value	5,529,868	5,626,028

CAMBERLEY CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

11 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	267,814	180,245
Amounts owed by group undertakings	3,735,065	3,848,030
Other debtors	2,164,315	853,020
Prepayments and accrued income	36,214	40,661
	<u>6,203,408</u>	<u>4,921,956</u>

12 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans	14	714,290	801,400
Trade creditors		43,908	60,784
Amounts owed to group undertakings		561,167	571,584
Corporation tax		45,131	85,158
Other taxation and social security		89,606	70,608
Other creditors		244,180	132,955
Accruals and deferred income		27,896	165,761
		<u>1,726,178</u>	<u>1,888,250</u>

13 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans and overdrafts	14	<u>11,285,710</u>	<u>9,022,780</u>

14 Loans and overdrafts

	2022 £	2021 £
Bank loans	<u>12,000,000</u>	<u>9,824,180</u>
Payable within one year	714,290	801,400
Payable after one year	<u>11,285,710</u>	<u>9,022,780</u>

The long-term loans are secured by fixed and floating charges over all the assets, which include all present and future freehold and leasehold property, book and other debt, chattels, goodwill and uncalled capital, both present and future. The bank has a first legal charge over the freehold property.

On 21 May 2021, the company entered into a loan agreement of £12m. The first repayment is due 13 months from drawdown, followed by monthly instalments. Interest is charged at 2.4% over SONIA.

CAMBERLEY CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

15 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2022 £	Liabilities 2021 £
Balances:		
Fixed asset timing differences	234,350	168,996
Short term timing differences	(974)	(917)
Revaluations on land and buildings	3,276,704	2,561,353
	<u>3,510,080</u>	<u>2,729,432</u>
Movements in the year:		2022 £
Liability at 1 May 2021		2,729,432
Charge to profit or loss		65,296
Charge to other comprehensive income		715,352
Liability at 30 April 2022		<u>3,510,080</u>

16 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>26,353</u>	<u>26,525</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

17 Share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital Issued and fully paid				
Ordinary Shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

18 Related party transactions

Included within other debtors is an amount of £850,000 (2021 - £850,000) due from The Fellows House Limited, a company owned by a director of the company. The outstanding balance is in relation to an interest free loan, which is repayable on demand.

Included within other debtors is also an amount of £800,000 (2021 - nil) due from TLC Radlett Limited, a company owned by a director of the company. The outstanding balance is in relation to an interest free loan, which is repayable on demand.

CAMBERLEY CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

19 Directors' transactions

Included in other debtors is amount advanced to the director of £475,515 (2021: £3,020) at HMRC official rate of interest. This amount was cleared after year-end.

20 Ultimate controlling party

The immediate parent company is TLC Group Limited, a company incorporated in England and Wales whose registered office address is 36 Railway Approach, Harrow, Middlesex, HA3 5AA.

The ultimate parent company is TLC Care Group Limited whose registered office address is 36 Railway Approach, Harrow, Middlesex, HA3 5AA.

The ultimate controlling party is S D Popat

21 Cash generated from/(absorbed by) operations

	2022 £	2021 £
Profit/(loss) for the year after tax	246,590	(262,225)
Adjustments for:		
Taxation charged	211,865	91,804
Finance costs	325,258	196,240
Investment income	(1,054)	(3,020)
Depreciation and impairment of tangible fixed assets	512,836	561,173
Movements in working capital:		
Increase in debtors	(808,957)	(1,564,763)
(Decrease)/increase in creditors	(34,935)	549,824
Cash generated from/(absorbed by) operations	451,603	(430,967)

22 Analysis of changes in net debt

	1 May 2021 £	Cash flows £	30 April 2022 £
Cash at bank and in hand	899,511	1,599,785	2,499,296
Borrowings excluding overdrafts	(9,824,180)	(2,175,820)	(12,000,000)
	<u>(8,924,669)</u>	<u>(576,035)</u>	<u>(9,500,704)</u>