

Company registration number 09049900 (England and Wales)

**SILVER BIRCH CARE (HOLDINGS) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**SILVER BIRCH CARE (HOLDINGS) LIMITED**

**COMPANY INFORMATION**

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<b>Directors</b>	Mr A P T Lalani Mrs S Lalani
<b>Company number</b>	09049900
<b>Registered office</b>	SBCH House 212 Ballards Lane London N3 2LX
<b>Auditor</b>	FLS Accounting Solutions Limited T/A SP Vinshaw 36 The Metro Centre Dwight Road Watford WD18 9SB

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# SILVER BIRCH CARE (HOLDINGS) LIMITED

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# SILVER BIRCH CARE (HOLDINGS) LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 MARCH 2022

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The directors present the strategic report for Silver Birch Care (Holdings) Limited and its subsidiaries (consolidated as "the Group") for the year ended 31 March 2022.

#### **Fair review of the business**

The results for the year and the financial position of the group at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

Under its wholly-owned subsidiary The Beeches UK Limited (TBL), the group provides Ofsted regulated residential childcare services across its four care homes which are located in Cambridgeshire and London, and supporting living services via its six provisions in Cambridgeshire (four of which are CQC regulated). TBL also owns and operates a Special Education Needs School with a placement capacity of 21 students in Peterborough.

Under its wholly-owned subsidiary Silver Birch Care Limited (SBCL), the group provides supported living services for looked after young people aged 16 to 25 years within the M25 across its 36 provisions. SBCL works in partnership with just under 40 Local Authorities and County Councils, and provide services directly to HM Government Home Office.

The group recognises the challenges that young people may encounter as they prepared to leave local authority care, and seeks to help their transition to independent adult life by providing them with the highest level of support within a nurturing environment, and helping develop their skills through motivating them and facilitating access to education and vocational training. It has continued to generate gross operating profits despite the tightening of budgetary spending.

As the government continues to raise standards of care across the sector, the group continues to adapt and respond to these changes and adjust its day to day operational practices to ensure compliance at all times.

#### **Principal risks and uncertainties**

The group's activities expose it to a number of operational and financial risks. The principal risks include:

##### **Quality of service**

Failure to provide a high quality of service to the young people in our care would cause severe damage to the group's brand and its ability to attract new residents and/or pupils. Staff induction and training programmes are in place to ensure they all have an understanding of regulatory requirements and quality standards. The group also operates in robust levels of performance monitoring with reporting to senior management and directors of any potential issues.

##### **Safeguarding**

Safeguarding and protection of all young people in our care is one of our primary concerns. The group operates robust safer recruitment policy and procedure. Compliance is organised and monitored through our Safeguarding and Quality and Service Management teams as well as regular on-site audits and inspections which all contribute to continuous improvement plans.

##### **Recruitment**

Our services rely on the capable skills and expertise of the team we employ. Shortage of appropriate staff is a potential risk to the business, especially with the prevalent national shortage of qualified staff. In order to mitigate this risk, the group has a proactive Human Resources and Recruitment team, and will shortly embark on the recruitment of suitable skilled candidates from overseas.

##### **Interest rate risk management**

The group is exposed to interest rate risk as it borrows funds at floating interest rates on long term loans. Recent events indicate see UK base rate rising 4.5% and this will have a drastic impact on the group's borrowing costs

##### **Government action**

Failure to anticipate or respond to changes in government policy or regulation could negatively impact the group's performance. Regular intelligence gathering by senior management on proposed legislative and regulatory changes takes place and is cascaded down to teams during regular meetings.

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# SILVER BIRCH CARE (HOLDINGS) LIMITED

## STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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### Development and performance

The group's strategy is primarily to maintain its operational activities at their existing levels but also to explore opportunities for growth including through the acquisition and development of other homes. SBCL is preparing for impending regulatory changes in the semi-independent care sector:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1041166/unregulated\\_national\\_standards.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1041166/unregulated_national_standards.pdf)

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TBL seeks to expand within Cambridgeshire with the opening of a brand-new school and at least three new EBD OFSTED regulated children's care homes.

### Key performance indicators

The Key Performance indicators used by the directors to assess the performance of the group are as follows:-

	2022	2021
	£	£
Turnover	14,787,938	12,441,891
Operating profit	1,780,219	1,276,126
Average occupancy rates	94%	92%

On behalf of the board

Mr A P T Lalani

**Director**

27 September 2022

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 MARCH 2022**

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

### Principal activities

The principal activity of the company continued to be that of care home and supporting young persons aged 16+.

### Results and dividends

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

Ordinary interim dividends were paid amounting to £150,000. The directors do not recommend payment of a further dividend.

### Directors

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

Mr A P T Lalani

Mrs S Lalani

### Auditor

FLS Accounting Solutions Limited T/A SP Vinshaw were appointed as auditor to the company and is deemed to be reappointed under section 487(2) of the Companies Act 2006.

### Statement of directors' responsibilities

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

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

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

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

### Statement of disclosure to auditor

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

## **SILVER BIRCH CARE (HOLDINGS) LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2022***

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On behalf of the board

Mr A P T Lalani

**Director**

27 September 2022

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF SILVER BIRCH CARE (HOLDINGS) LIMITED

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#### Opinion

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

In our opinion the financial statements:

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

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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

#### Other information

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

We have nothing to report in this regard.



## **SILVER BIRCH CARE (HOLDINGS) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF SILVER BIRCH CARE (HOLDINGS) LIMITED**

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##### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

##### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

##### **Responsibilities of directors**

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

##### **Auditor's responsibilities for the audit of the financial statements**

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

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

## **SILVER BIRCH CARE (HOLDINGS) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF SILVER BIRCH CARE (HOLDINGS) LIMITED**

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Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- 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 16+ Accommodation and support services sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation including compliance with customs regulations, data protection, anti-bribery, employment, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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
- obtaining an understanding of the policies and procedures including internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations in order to design audit procedures that are appropriate in the circumstances (but not for the purpose of expressing an opinion on the effectiveness of the company's internal control).

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

- identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, design and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion
- 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 in relation to income recognition, collectability of debtors, impairment of tangible and intangible assets and valuation of stock were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions

## **SILVER BIRCH CARE (HOLDINGS) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF SILVER BIRCH CARE (HOLDINGS) LIMITED**

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In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;

- evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e. gives a true and fair view);

- reading the minutes of meetings of those charged with governance;

- enquiring of management as to actual and potential litigation and claims;

- reviewing correspondence with HMRC and the company's legal advisors; and

- Concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve collusion, forgery, deliberate concealment and omissions, misrepresentations, or the override of internal control.

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.

#### **Other matters**

Comparative figures are unaudited.

## **SILVER BIRCH CARE (HOLDINGS) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF SILVER BIRCH CARE (HOLDINGS) LIMITED**

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##### **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.

**Sadikali Gulamabas Premji FCCA (Senior Statutory Auditor)**

**For and on behalf of FLS Accounting Solutions Limited T/A SP Vinshaw 27 September 2022**

**Chartered Accountants**

**Statutory Auditor**

36 The Metro Centre  
Dwight Road  
Watford  
WD18 9SB

## SILVER BIRCH CARE (HOLDINGS) LIMITED

### GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Turnover	3	14,787,938	12,441,891
Cost of sales		(4,029,546)	(3,249,296)
<b>Gross profit</b>		<b>10,758,392</b>	<b>9,192,595</b>
Administrative expenses		(8,986,518)	(7,992,883)
Other operating income		8,345	76,414
<b>Operating profit</b>	<b>4</b>	<b>1,780,219</b>	<b>1,276,126</b>
Interest receivable and similar income	7	11,964	16,152
Interest payable and similar expenses	8	(60,630)	(44,035)
<b>Profit before taxation</b>		<b>1,731,553</b>	<b>1,248,243</b>
Tax on profit	9	(304,491)	(277,575)
<b>Profit for the financial year</b>	<b>27</b>	<b>1,427,062</b>	<b>970,668</b>

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

## SILVER BIRCH CARE (HOLDINGS) LIMITED

### GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Profit for the year	1,427,062	970,668
Other comprehensive income		
Revaluation of tangible fixed assets	315,381	-
Tax relating to other comprehensive income	(34,931)	-
Other comprehensive income for the year	280,450	-
Total comprehensive income for the year	1,707,512	970,668

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

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## GROUP BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Goodwill	11	971,891		1,110,732	
Tangible assets	12	3,573,395		3,362,927	
			4,545,286		4,473,659
<b>Current assets</b>					
Debtors	17	1,423,082		1,116,795	
Cash at bank and in hand		2,024,704		894,597	
			3,447,786		2,011,392
<b>Creditors: amounts falling due within one year</b>	18	(1,345,890)		(1,171,292)	
<b>Net current assets</b>			2,101,896		840,100
<b>Total assets less current liabilities</b>			6,647,182		5,313,759
<b>Creditors: amounts falling due after more than one year</b>	19		(1,875,461)		(2,098,913)
<b>Provisions for liabilities</b>					
Deferred tax liability	22	159,597		160,234	
			(159,597)		(160,234)
<b>Net assets</b>			4,612,124		3,054,612
<b>Capital and reserves</b>					
Called up share capital	24		115		115
Share premium account	25		3		3
Revaluation reserve	26		640,551		360,101
Profit and loss reserves	27		3,971,455		2,694,393
<b>Total equity</b>			4,612,124		3,054,612

The financial statements were approved by the board of directors and authorised for issue on 27 September 2022 and are signed on its behalf by:

Mr A P T Lalani  
Director

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## COMPANY BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	12		37,050		48,331
Investment properties	13		918,088		918,088
Investments	14		2,109,528		2,109,528
			<u>3,064,666</u>		<u>3,075,947</u>
<b>Current assets</b>					
Debtors	17	462,332		352,861	
Cash at bank and in hand		73,031		56,613	
		<u>535,363</u>		<u>409,474</u>	
<b>Creditors: amounts falling due within one year</b>	18	(885,658)		(893,196)	
<b>Net current liabilities</b>			<u>(350,295)</u>		<u>(483,722)</u>
<b>Total assets less current liabilities</b>			2,714,371		2,592,225
<b>Creditors: amounts falling due after more than one year</b>	19		(1,871,294)		(2,056,716)
<b>Net assets</b>			<u>843,077</u>		<u>535,509</u>
<b>Capital and reserves</b>					
Called up share capital	24		115		115
Share premium account	25		3		3
Profit and loss reserves	27		842,959		535,391
<b>Total equity</b>			<u>843,077</u>		<u>535,509</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £457,568 (2021 - £82,349 profit).

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 27 September 2022 and are signed on its behalf by:

Mr A P T Lalani  
Director

Company Registration No. 09049900



# SILVER BIRCH CARE (HOLDINGS) LIMITED

## GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Share capital £	Share premium account £	Revaluation reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2020</b>		110	-	360,101	1,887,350	2,247,561
<b>Year ended 31 March 2021:</b>						
Profit and total comprehensive income for the year		-	-	-	970,668	970,668
Issue of share capital	24	5	3	-	-	8
Dividends	10	-	-	-	(163,625)	(163,625)
<b>Balance at 31 March 2021</b>		115	3	360,101	2,694,393	3,054,612
<b>Year ended 31 March 2022:</b>						
Profit for the year		-	-	-	1,427,062	1,427,062
Other comprehensive income:						
Revaluation of tangible fixed assets		-	-	315,381	-	315,381
Tax relating to other comprehensive income		-	-	(34,931)	-	(34,931)
Total comprehensive income for the year		-	-	280,450	1,427,062	1,707,512
Dividends	10	-	-	-	(150,000)	(150,000)
<b>Balance at 31 March 2022</b>		115	3	640,551	3,971,455	4,612,124

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2020</b>		110	-	616,667	616,777
<b>Year ended 31 March 2021:</b>					
Profit and total comprehensive income for the year		-	-	82,349	82,349
Issue of share capital	24	5	3	-	8
Dividends	10	-	-	(163,625)	(163,625)
<b>Balance at 31 March 2021</b>		115	3	535,391	535,509
<b>Year ended 31 March 2022:</b>					
Profit and total comprehensive income for the year		-	-	457,568	457,568
Dividends	10	-	-	(150,000)	(150,000)
<b>Balance at 31 March 2022</b>		115	3	842,959	843,077

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

		2022		2021	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	31	1,998,076		1,872,660	
Interest paid		(60,630)		(44,035)	
Income taxes paid		(210,488)		(145,141)	
<b>Net cash inflow from operating activities</b>		<b>1,726,958</b>		<b>1,683,484</b>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(302,783)		(1,406,107)	
Proceeds on disposal of tangible fixed assets		83,488		8,334	
Interest received		11,964		16,152	
<b>Net cash used in investing activities</b>		<b>(207,331)</b>		<b>(1,381,621)</b>	
<b>Financing activities</b>					
Proceeds from issue of shares		-		8	
Repayment of bank loans		(156,920)		614,199	
Payment of finance leases obligations		(82,600)		24,978	
Dividends paid to equity shareholders		(150,000)		(163,625)	
<b>Net cash (used in)/generated from financing activities</b>		<b>(389,520)</b>		<b>475,560</b>	
<b>Net increase in cash and cash equivalents</b>		<b>1,130,107</b>		<b>777,423</b>	
Cash and cash equivalents at beginning of year		894,597		117,174	
<b>Cash and cash equivalents at end of year</b>		<b>2,024,704</b>		<b>894,597</b>	

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	32		(183,470)		383,017
Interest paid			(55,156)		(40,548)
<b>Net cash (outflow)/inflow from operating activities</b>			(238,626)		342,469
<b>Investing activities</b>					
Purchase of investment property		-		(918,088)	
Interest received		11,964		11,559	
Dividends received		550,000		170,000	
<b>Net cash generated from/(used in) investing activities</b>			561,964		(736,529)
<b>Financing activities</b>					
Proceeds from issue of shares		-		8	
Repayment of bank loans		(156,920)		614,199	
Dividends paid to equity shareholders		(150,000)		(163,625)	
<b>Net cash (used in)/generated from financing activities</b>			(306,920)		450,582
<b>Net increase in cash and cash equivalents</b>			16,418		56,522
Cash and cash equivalents at beginning of year			56,613		91
<b>Cash and cash equivalents at end of year</b>			73,031		56,613

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

---

### 1 Accounting policies

#### Company information

Silver Birch Care (Holdings) Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is .

The group consists of Silver Birch Care (Holdings) Limited and all of its subsidiaries.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

#### 1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Silver Birch Care (Holdings) Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

---

### 1 Accounting policies

(Continued)

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

#### 1.4 Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The directors regard the foreseeable future as no less than twelve months following the publication of the company's annual financial statements. The directors have considered the company's balance sheet position as at the year end, its working capital forecasts and projections, and the impact of the current crisis, taking account of reasonably possible changes in trading performance and the current state of its operating market and are satisfied that the company has sufficient resources to remain in operational existence. Accordingly, they have adopted going concern basis in preparing these financial statements.

#### 1.5 Turnover

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

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 1 Accounting policies

(Continued)

#### 1.7 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 land and buildings	2% straight line basis
Leasehold land and buildings	Over the term of lease
Fixtures and fittings	25% reducing balance basis
Computers	25% reducing balance basis
Motor vehicles	25% reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

#### 1.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 1 Accounting policies

(Continued)

#### 1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.



# SILVER BIRCH CARE (HOLDINGS) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

(Continued)

#### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

#### **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.

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

(Continued)

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### **Derecognition of financial liabilities**

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

### 1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

### 1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

(Continued)

#### 1.14 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.

#### 1.15 Retirement benefits

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

#### 1.16 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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

#### 1.17 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### 1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Critical judgements

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

#### Assets impairment

The company reviews on an annual basis the carrying amounts of tangible assets and investments in order to determine if there is an indication of impairment. If any such indication exists, an impairment review is carried out in order to determine the extent of the impairment loss.

#### Valuation of debtors

Valuation of debtors is based upon ongoing assessments of the probable estimated losses inherent in the trade and other debtors portfolio. Assessments are conducted by the board employing a methodology and guidelines, which are continually monitored and improved. The primary component of this methodology comprises specific allowances and collective allowances.

In assessing the need for collective allowances, management considers debtors in arrears over 121 days but excludes those for which there are valid indications that they will be collected.

### 3 Turnover and other revenue

	2022	2021
	£	£
<b>Turnover analysed by geographical market</b>		
United Kingdom	14,787,938	12,441,891
	<u>          </u>	<u>          </u>
	2022	2021
	£	£
<b>Other revenue</b>		
Interest income	11,964	16,152
Grants received	5,666	53,095
	<u>          </u>	<u>          </u>

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 4 Operating profit

	2022 £	2021 £
Operating profit for the year is stated after charging/(crediting):		
Government grants	(5,666)	(53,095)
Depreciation of owned tangible fixed assets	325,371	306,049
(Profit)/loss on disposal of tangible fixed assets	(1,162)	9,913
Amortisation of intangible assets	138,841	138,841
Operating lease charges	7,789	58,002
	<u>          </u>	<u>          </u>

### 5 Auditor's remuneration

	2022 £	2021 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	4,500	-
Audit of the financial statements of the company's subsidiaries	16,000	-
	<u>          </u>	<u>          </u>
	20,500	-
	<u>          </u>	<u>          </u>

### 6 Employees

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

	Group 2022 Number	2021 Number	Company 2022 Number	2021 Number
Chairman & Directors	2	2	2	2
Operations Director	1	-	-	-
Finance and HR	3	3	-	-
Care managers and support workers	217	196	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total	223	201	2	2
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

Their aggregate remuneration comprised:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Wages and salaries	6,540,338	5,611,462	-	-
Social security costs	658,035	555,294	-	-
Pension costs	137,356	117,705	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	7,335,729	6,284,461	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

<b>7</b>	<b>Interest receivable and similar income</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	<b>Interest income</b>		
	Other interest income	11,964	16,152
		<u>          </u>	<u>          </u>
<b>8</b>	<b>Interest payable and similar expenses</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	<b>Interest on financial liabilities measured at amortised cost:</b>		
	Interest on bank overdrafts and loans	55,156	40,548
	<b>Other finance costs:</b>		
	Interest on finance leases and hire purchase contracts	5,235	3,079
	Other interest	239	408
		<u>          </u>	<u>          </u>
	Total finance costs	60,630	44,035
		<u>          </u>	<u>          </u>
<b>9</b>	<b>Taxation</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	<b>Current tax</b>		
	UK corporation tax on profits for the current period	382,524	252,953
	Adjustments in respect of prior periods	(42,465)	-
		<u>          </u>	<u>          </u>
	Total current tax	340,059	252,953
		<u>          </u>	<u>          </u>
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	(35,568)	24,622
		<u>          </u>	<u>          </u>
	Total tax charge	304,491	277,575
		<u>          </u>	<u>          </u>

## SILVER BIRCH CARE (HOLDINGS) LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

#### 9 Taxation

(Continued)

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

	2022 £	2021 £
Profit before taxation	1,731,553	1,248,243
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	328,995	237,167
Tax effect of expenses that are not deductible in determining taxable profit	275	670
Depreciation in excess of capital allowances	55,332	15,106
Deferred tax	(35,568)	24,622
Corporation tax adjustment re prior year	(42,465)	-
Utilisation of brought forward losses	(2,078)	-
Losses carried forward	-	10
Taxation charge	304,491	277,575

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	34,931	-

#### 10 Dividends

	2022 £	2021 £
Recognised as distributions to equity holders:		
Interim paid	150,000	163,625

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 11 Intangible fixed assets

Group	Goodwill £
<b>Cost</b>	
At 1 April 2021 and 31 March 2022	1,388,414
<b>Amortisation and impairment</b>	
At 1 April 2021	277,682
Amortisation charged for the year	138,841
At 31 March 2022	416,523
<b>Carrying amount</b>	
At 31 March 2022	971,891
At 31 March 2021	1,110,732

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

### 12 Tangible fixed assets

Group	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 April 2021	2,218,088	185,153	1,276,101	420,275	331,893	4,431,510
Additions	-	-	41,919	48,592	212,272	302,783
Disposals	-	-	-	-	(175,233)	(175,233)
Revaluation	220,000	-	-	-	-	220,000
At 31 March 2022	2,438,088	185,153	1,318,020	468,867	368,932	4,779,060
<b>Depreciation and impairment</b>						
At 1 April 2021	69,381	41,683	668,470	151,018	138,031	1,068,584
Depreciation charged in the year	26,000	12,328	154,613	73,191	59,239	325,371
Eliminated in respect of disposals	-	-	-	-	(92,909)	(92,909)
Revaluation	(95,381)	-	-	-	-	(95,381)
At 31 March 2022	-	54,011	823,083	224,209	104,362	1,205,665
<b>Carrying amount</b>						
At 31 March 2022	2,438,088	131,142	494,937	244,658	264,570	3,573,395
At 31 March 2021	2,148,707	143,470	607,631	269,257	193,862	3,362,927



# SILVER BIRCH CARE (HOLDINGS) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 12 Tangible fixed assets (Continued)

Company	Leasehold land and buildings	Fixtures and fittings	Total
	£	£	£
<b>Cost</b>			
At 1 April 2021 and 31 March 2022	4,950	84,805	89,755
<b>Depreciation and impairment</b>			
At 1 April 2021	548	40,876	41,424
Depreciation charged in the year	329	10,952	11,281
At 31 March 2022	877	51,828	52,705
<b>Carrying amount</b>			
At 31 March 2022	4,073	32,977	37,050
At 31 March 2021	4,402	43,929	48,331

### 13 Investment property

	Group 2022 £	Company 2022 £
<b>Fair value</b>		
At 1 April 2021 and 31 March 2022	-	918,088

The fair value of the investment property has been arrived at on the basis of a valuation carried out at 31 March 2022 by the Directors. The valuation was made on an open market value basis by reference to rental yields and market conditions.

### 14 Fixed asset investments

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries	15	-	-	2,109,528	2,109,528

# SILVER BIRCH CARE (HOLDINGS) LIMITED

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

### 14 Fixed asset investments (Continued)

Movements in fixed asset investments Company	Shares in subsidiaries £
<b>Cost or valuation</b>	
At 1 April 2021 and 31 March 2022	2,109,528
<b>Carrying amount</b>	
At 31 March 2022	2,109,528
At 31 March 2021	2,109,528

### 15 Subsidiaries

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

Name of undertaking	Registered office	Class of shares held	% Held Direct
Foster Care Partnerships Ltd	England & Wales	Ordinary	100.00
Silver Birch Care Limited	England & Wales	Ordinary	100.00
The Beeches UK Limited	England & Wales	Ordinary	100.00

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Capital and Reserves £	Profit/(Loss) £
Foster Care Partnerships Ltd	140,000	10,939
Silver Birch Care Limited	2,360,553	1,052,819
The Beeches UK Limited	2,406,131	594,577

### 16 Financial instruments

	Group 2022 £	2021 £	Company 2022 £	2021 £
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	1,423,082	1,024,987	462,332	350,737
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	2,656,844	2,842,916	2,756,952	2,949,912

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 17 Debtors

	Group 2022	2021	Company 2022	2021
	£	£	£	£
<b>Amounts falling due within one year:</b>				
Trade debtors	729,152	430,819	-	-
Amounts owed by group undertakings	-	-	103,541	-
Other debtors	491,775	458,567	358,791	350,737
Prepayments and accrued income	202,155	227,409	-	2,124
	<u>1,423,082</u>	<u>1,116,795</u>	<u>462,332</u>	<u>352,861</u>

### 18 Creditors: amounts falling due within one year

		Group 2022	2021	Company 2022	2021
	Notes	£	£	£	£
Bank loans	20	313,454	284,952	313,454	284,952
Obligations under finance leases	21	16,375	60,945	-	-
Trade creditors		119,215	89,192	-	-
Amounts owed to group undertakings		-	-	553,160	435,619
Corporation tax payable		382,524	252,953	-	-
Other taxation and social security		181,983	174,336	-	-
Other creditors		288,420	281,164	10,394	163,625
Accruals and deferred income		43,919	27,750	8,650	9,000
		<u>1,345,890</u>	<u>1,171,292</u>	<u>885,658</u>	<u>893,196</u>

### 19 Creditors: amounts falling due after more than one year

		Group 2022	2021	Company 2022	2021
	Notes	£	£	£	£
Bank loans and overdrafts	20	1,871,294	2,056,716	1,871,294	2,056,716
Obligations under finance leases	21	4,167	42,197	-	-
		<u>1,875,461</u>	<u>2,098,913</u>	<u>1,871,294</u>	<u>2,056,716</u>

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 20 Loans and overdrafts

	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans	2,184,748	2,341,668	2,184,748	2,341,668
Payable within one year	313,454	284,952	313,454	284,952
Payable after one year	1,871,294	2,056,716	1,871,294	2,056,716

The bank loans are secured by fixed and floating charges over all property or undertakings of the company and a negative pledge against future borrowings.

### 21 Finance lease obligations

	Group 2022 £	2021 £	Company 2022 £	2021 £
Future minimum lease payments due under finance leases:				
Within one year	16,375	60,945	-	-
In two to five years	4,167	42,197	-	-
	20,542	103,142	-	-

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is between 3 to 5 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments with the lease payments secured against the assets acquired under such arrangements.

### 22 Deferred taxation

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

Group	Liabilities 2022 £	Liabilities 2021 £
Accelerated capital allowances	124,666	153,850
Revaluations	34,931	6,384
	159,597	160,234

The company has no deferred tax assets or liabilities.

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 22 Deferred taxation (Continued)

	Group 2022 £	Company 2022 £
<b>Movements in the year:</b>		
Liability at 1 April 2021	160,234	-
Credit to profit or loss	(35,568)	-
Charge to other comprehensive income	34,931	-
	<u>159,597</u>	<u>-</u>
Liability at 31 March 2022	<u>159,597</u>	<u>-</u>

### 23 Retirement benefit schemes

	2022 £	2021 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	137,356	117,705
	<u>137,356</u>	<u>117,705</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

### 24 Share capital

Group and company	2022 Number	2021 Number	2022 £	2021 £
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary A shares of £1 each	100	100	100	100
Ordinary B shares of £1 each	15	15	15	15
	<u>115</u>	<u>115</u>	<u>115</u>	<u>115</u>

The ordinary A and ordinary B shares rank pari passu in all respects.

### 25 Share premium account

	Group 2022 £	2021 £	Company 2022 £	2021 £
At the beginning of the year	3	-	3	-
Issue of new shares	-	3	-	3
	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
At the end of the year	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>

## SILVER BIRCH CARE (HOLDINGS) LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

#### 26 Revaluation reserve

	Group 2022 £	2021 £	Company 2022 £	2021 £
At the beginning of the year	360,101	360,101	-	-
Revaluation surplus arising in the year	315,381	-	-	-
Deferred tax on revaluation of tangible assets	(34,931)	-	-	-
At the end of the year	640,551	360,101	-	-

#### 27 Profit and loss reserves

	Group 2022 £	2021 £	Company 2022 £	2021 £
At the beginning of the year	2,694,393	1,887,350	535,391	616,667
Profit for the year	1,427,062	970,668	457,568	82,349
Dividends	(150,000)	(163,625)	(150,000)	(163,625)
At the end of the year	3,971,455	2,694,393	842,959	535,391

#### 28 Operating lease commitments

##### Lessee

The group leases its motor vehicles under business contract hire. Such contracts are non-cancellable operating lease contracts. The contracts range between 24 months to 36 months, and as at the year end the total commitment due under such contracts was £16,131 (2021: £38,630).

The group also leases its properties, such leases are non-cancellable operating leases with contract term of between 2 to 5 years. As at the year end the total commitment due under such lease agreements was £5,594,807 (2021: £4,609,649).

#### 29 Related party transactions

##### Group:

Included within other debtors is an amount of £343,427 (2021: £ 331,463) owed by a company in which the director has an interest. The debtor balance is unsecured and accrued interest of £11,964 (2021: £11,559) for the year.

##### Company:

The company has taken advantage of the exemption under section 33.1A of FRS 102, from the requirement to disclose transactions with wholly owned members of the group.

Included within other debtors is an amount of £353,794 (2021: £ 341,830) owed by a company in which the director has an interest. The debtor balance is unsecured and accrued interest of £11,964 (2021: £11,559) for the year.

# SILVER BIRCH CARE (HOLDINGS) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 30 Controlling party

The company is under the control of Mr A P T Lalani and his close family by virtue of holding its entire issued ordinary share capital.

### 31 Cash generated from group operations

	2022 £	2021 £
Profit for the year after tax	1,427,062	970,668
<b>Adjustments for:</b>		
Taxation charged	304,491	277,575
Finance costs	60,630	44,035
Investment income	(11,964)	(16,152)
(Gain)/loss on disposal of tangible fixed assets	(1,162)	9,913
Amortisation and impairment of intangible assets	138,841	138,841
Depreciation and impairment of tangible fixed assets	325,371	306,049
<b>Movements in working capital:</b>		
(Increase)/decrease in debtors	(306,288)	130,388
Increase in creditors	61,095	82,003
Decrease in deferred income	-	(70,660)
<b>Cash generated from operations</b>	<b>1,998,076</b>	<b>1,872,660</b>

### 32 Cash (absorbed by)/generated from operations - company

	2022 £	2021 £
Profit for the year after tax	457,568	82,349
<b>Adjustments for:</b>		
Finance costs	55,156	40,548
Investment income	(561,964)	(181,559)
Depreciation and impairment of tangible fixed assets	11,281	14,918
<b>Movements in working capital:</b>		
Increase in debtors	(109,471)	(17,195)
(Decrease)/increase in creditors	(36,040)	443,956
<b>Cash (absorbed by)/generated from operations</b>	<b>(183,470)</b>	<b>383,017</b>

## SILVER BIRCH CARE (HOLDINGS) LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

#### 33 Analysis of changes in net debt - group

	1 April 2021	Cash flows 31 March 2022	
	£	£	£
Cash at bank and in hand	894,597	1,130,107	2,024,704
Borrowings excluding overdrafts	(2,341,668)	156,920	(2,184,748)
Obligations under finance leases	(103,142)	82,600	(20,542)
	<u>(1,550,213)</u>	<u>1,369,627</u>	<u>(180,586)</u>

#### 34 Analysis of changes in net debt - company

	1 April 2021	Cash flows 31 March 2022	
	£	£	£
Cash at bank and in hand	56,613	16,418	73,031
Borrowings excluding overdrafts	(2,341,668)	156,920	(2,184,748)
	<u>(2,285,055)</u>	<u>173,338</u>	<u>(2,111,717)</u>



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