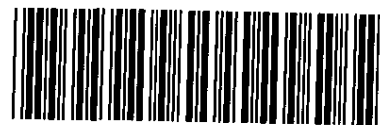


— (Amended) —

365 CARE HOMES LIMITED
Unaudited Financial Statements
31st March 2021

N.S.AMIN & CO.
Chartered accountants
334 - 336 Goswell Road,
London
EC1V 7RP

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365 CARE HOMES LIMITED

Financial Statements

Year ended 31st March 2021

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365 CARE HOMES LIMITED

Strategic Report

Year ended 31st March 2021

Review of the business

The directors consider that the results for the year and the financial position at the year end is satisfactory.

The company operates care homes for people requiring accommodation together with nursing and personal care. Turnover has increased from the previous year due to an increased registered bed capacity.

The directors recognise the invaluable contribution and sacrifices that the team of staff have made throughout the pandemic and are proud for delivering the uninterrupted high quality care service to the residents throughout very challenging time in the industry due to the pandemic.

During the year the company benefited from the receipt of Covid-19 business support government grants. Going forward the directors are confident to achieve high occupancy and profitability.

Principal risks and uncertainties

The risks associated with the activities performed by the company may be summarised as:

Regulators

The company's care homes are regulated by the Care Quality Commission and other relevant regulators. Regulators ultimately aim to protect residents and ensure that they receive high levels of care and are treated fairly. This clearly aligns with our strategy to put our residents wellbeing at the front and centre. We have robust and effective processes and controls in place to mitigate risks to protect our residents, to provide a high-quality clinically robust services and ensure that we operate in a sustainable way.

We have an open, honest and transparent relationship with CQC and self-report incidents, work with CQC to ensure we meet regulatory requirements and act promptly to address any issues and concerns identified and raised.

Development and performance

The company's strategy is primarily to maintain its operational activities at the existing levels but also to explore opportunities for growth either through increasing occupancy level in all its care homes and focus more on the provision of care to privately funded residents. It will continue its disciplined approach to fee negotiation and has seen success in its focus on recovering the cost of caring for residents from local authority contracts.

The company is committed to providing high quality facilities and services for the UK's growing ageing population and will continue to invest in its portfolio of care homes.

The company, along with others in the sector, will continue to push for adequate funding in the sector, both in the short term and over the longer term, and for local authorities and other public sector commissioners to pay for the true cost of care.

365 CARE HOMES LIMITED

Strategic Report *(continued)*

Year ended 31st March 2021

Description of principal risk

The company's activities expose it to a number of operational and financial risks. The principal risks are ascertained to be as follows:-

Reputational risk

Provision of poor and inappropriate levels of care would cause severe damage to our reputation and ability to attract new residents. We have built in sophisticated levels of performance monitoring with regular reporting to senior management and the Board of any potential threats.

Health and safety

We strongly believe that no serious injury to the residents, their guests, our staff members or anyone else on our premises is acceptable. Everyone in our business has accountability for health and safety and they are given all necessary tools and support, including training, safety equipment and resources to operate safely. Compliance is organised and regularly monitored through a dedicated health and safety team.

Employment of staff

Our business relies on the skills and expertise of the staff we employ. The shortage of qualified nursing staff is a potential risk to the company. We have a proactive human resources and recruitment team.

Key performance indicators

The key financial performance indicators used by the directors to assess the performance of the company are as follows:

	2021 £	2020 £
Turnover	2,293,271	1,979,682
Operating profit	405,664	269,847

This report was approved by the board of directors on 18th October 2022 and signed on behalf of the board by:


Mr T Sarathchandra
Director


Mrs T Sarathchandra
Director

Registered office:
Old Orchard House
1B Upton Lane
Littleport,
Ely
CB6 1HF

365 CARE HOMES LIMITED

Directors' Report

Year ended 31st March 2021

The directors present their report and the unaudited financial statements of the company for the year ended 31st March 2021.

Principal activities

The principal activity of the company during the year was to operate a care home. The principal activity of the company is that of owning and running care homes.

Directors

The directors who served the company during the year were as follows:

Mr I Sarathchandra
Mrs T Sarathchandra

Dividends

Particulars of recommended dividends are detailed in note 10 to the financial statements.

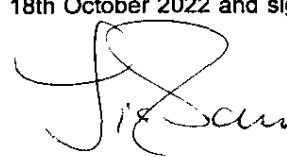
Future developments

Details of future developments are provided in the Strategic Report.

This report was approved by the board of directors on 18th October 2022 and signed on behalf of the board by:



Mr I Sarathchandra
Director



Mrs T Sarathchandra
Director

Registered office:
Old Orchard House
1B Upton Lane
Littleport,
Ely
CB6 1HF

365 CARE HOMES LIMITED
Statement of Income and Retained Earnings
Year ended 31st March 2021

	Note	2021 £	2020 £
Turnover	4	2,293,272	1,979,684
Gross profit		2,293,272	1,979,684
Administrative expenses		2,010,297	1,709,837
Other operating income		122,689	—
Operating profit	5	405,664	269,847
Interest payable and similar expenses	8	146,940	79,324
Profit before taxation		258,724	190,523
Tax on profit	9	35,525	16,118
Profit for the financial year and total comprehensive income		223,199	174,405
Dividends paid and payable	10	(4,000)	(20,000)
Retained earnings at the start of the year		571,927	417,522
Retained earnings at the end of the year		791,126	571,927

All the activities of the company are from continuing operations.

The notes on pages 8 to 13 form part of these financial statements.

365 CARE HOMES LIMITED

Statement of Financial Position

31st March 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	11	231,241	267,418
Tangible assets	12	<u>2,886,596</u>	<u>2,778,667</u>
		3,117,837	3,046,085
Current assets			
Debtors	13	<u>594,952</u>	354,411
Cash at bank and in hand		<u>43,873</u>	<u>58,158</u>
		638,825	412,569
Creditors: amounts falling due within one year			
Bank loans and overdrafts		<u>237,429</u>	205,899
Amounts owed to undertakings in which the company has a participating interest		606,609	559,759
Other creditors including taxation and social security	15	<u>163,784</u>	<u>83,938</u>
		1,007,822	849,596
Net current liabilities		368,997	437,027
Total assets less current liabilities		2,748,840	2,609,058
Creditors: amounts falling due after more than one year			
Bank loans and overdrafts	16	<u>1,957,514</u>	<u>2,036,931</u>
Net assets		791,326	572,127
Capital and reserves			
Called up share capital	18	200	200
Profit and loss account		<u>791,126</u>	<u>571,927</u>
Shareholders funds		791,326	572,127

For the year ending 31st March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

The statement of financial position
continues on the following page.

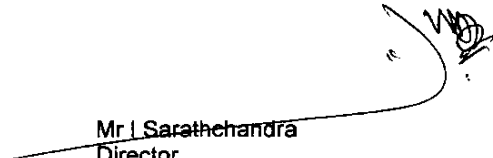
The notes on pages 8 to 13 form part of these financial statements.

365 CARE HOMES LIMITED

Statement of Financial Position *(continued)*

31st March 2021

These financial statements were approved by the board of directors and authorised for issue on 18th October 2022, and are signed on behalf of the board by:



Mr I Sarathchandra
Director



Mrs T Sarathchandra
Director

Company registration number: 09266748

The notes on pages 8 to 13 form part of these financial statements.

365 CARE HOMES LIMITED

Statement of Cash Flows

Year ended 31st March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Profit for the financial year		223,199	174,405
<i>Adjustments for:</i>			
Depreciation of tangible assets		141,644	113,731
Amortisation of intangible assets		36,177	36,178
Government grant income		(122,689)	—
Interest payable and similar expenses		148,940	79,324
Tax on profit		35,525	16,118
<i>Changes in:</i>			
Trade and other debtors		(240,541)	(354,411)
Trade and other creditors		42,914	(175,979)
Cash generated from operations		263,169	(110,634)
Interest paid		(146,940)	(79,324)
Tax received/(paid)		1,407	(12,404)
Net cash from/(used in) operating activities		<u>117,636</u>	<u>(202,362)</u>
Cash flows from investing activities			
Purchase of tangible assets		(249,573)	(935,606)
Purchase of intangible assets		—	(50,000)
Net cash used in investing activities		<u>(249,573)</u>	<u>(985,606)</u>
Cash flows from financing activities			
Proceeds from borrowings		(36,708)	535,294
Proceeds from loans from participating interests		46,850	559,759
Government grant income		122,689	—
Dividends paid		(4,000)	(20,000)
Net cash from financing activities		<u>128,831</u>	<u>1,075,053</u>
Net decrease in cash and cash equivalents		(3,106)	(112,915)
Cash and cash equivalents at beginning of year		(36,068)	76,847
Cash and cash equivalents at end of year	14	<u>(39,174)</u>	<u>(36,068)</u>

The notes on pages 8 to 13 form part of these financial statements.

365 CARE HOMES LIMITED

Notes to the Financial Statements

Year ended 31st March 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Old Orchard House, 1B Upton Lane, Littleport,, Ely, CB6 1HF.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - 10% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

365 CARE HOMES LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31st March 2021

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	20% reducing balance
Motor vehicles	-	25% reducing balance
Equipment	-	20% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

4. Turnover

Turnover arises from:

	2021	2020
	£	£
Fees	<u>2,293,272</u>	<u>1,979,682</u>

365 CARE HOMES LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31st March 2021

4. Turnover *(continued)*

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Operating profit

Operating profit or loss is stated after charging:

	2021 £	2020 £
Amortisation of intangible assets	36,177	36,178
Depreciation of tangible assets	<u>141,644</u>	<u>113,731</u>

6. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2021 No.	2020 No.
Management staff	<u>88</u>	<u>72</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2021 £	2020 £
Wages and salaries	1,157,455	977,303
Other pension costs	<u>8,281</u>	<u>16,256</u>
	<u>1,165,736</u>	<u>993,559</u>

7. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2021 £	2020 £
Remuneration	<u>52,906</u>	<u>21,648</u>

8. Interest payable and similar expenses

	2021 £	2020 £
Interest on banks loans and overdrafts	<u>146,940</u>	<u>79,324</u>

9. Tax on profit

Major components of tax expense

	2021 £	2020 £
Current tax:		
UK current tax expense	35,525	16,118
Tax on profit	<u>35,525</u>	<u>16,118</u>

365 CARE HOMES LIMITED

Notes to the Financial Statements (continued)

Year ended 31st March 2021

10. Dividends

	2021 £	2020 £
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	<u>4,000</u>	<u>20,000</u>

11. Intangible assets

	Goodwill £
Cost	
At 1st April 2020 and 31st March 2021	<u>361,773</u>
Amortisation	
At 1st April 2020	94,355
Charge for the year	<u>36,177</u>
At 31st March 2021	<u>130,532</u>
Carrying amount	
At 31st March 2021	<u>231,241</u>
At 31st March 2020	<u>267,418</u>

12. Tangible assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Equipment £	Land £	Total £
Cost						
At 1 Apr 2020	2,106,539	386,815	10,000	350,239	218,000	3,071,593
Additions	—	61,649	15,694	172,230	—	249,573
At 31 Mar 2021	<u>2,106,539</u>	<u>448,464</u>	<u>25,694</u>	<u>522,469</u>	<u>218,000</u>	<u>3,321,166</u>
Depreciation						
At 1 Apr 2020	—	177,788	7,627	107,511	—	292,926
Charge for the year	—	54,135	4,517	82,992	—	141,644
At 31 Mar 2021	<u>—</u>	<u>231,923</u>	<u>12,144</u>	<u>190,503</u>	<u>—</u>	<u>434,570</u>
Carrying amount						
At 31 Mar 2021	<u>2,106,539</u>	<u>216,541</u>	<u>13,550</u>	<u>331,966</u>	<u>218,000</u>	<u>2,886,596</u>
At 31 Mar 2020	<u>2,106,539</u>	<u>209,027</u>	<u>2,373</u>	<u>242,728</u>	<u>218,000</u>	<u>2,778,667</u>

13. Debtors

	2021 £	2020 £
Trade debtors	—	28,545
Other debtors	<u>594,952</u>	<u>325,866</u>
	<u>594,952</u>	<u>354,411</u>

365 CARE HOMES LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31st March 2021

14. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2021	2020
	£	£
Cash at bank and in hand	43,873	58,158
Bank overdrafts	(83,047)	(94,226)
	<u>(39,174)</u>	<u>(36,068)</u>

15. Other creditors including taxation and social security falling due within one year

	2021	2020
	£	£
Corporation tax	81,293	44,361
Social security and other taxes	63,851	23,737
Other creditors	18,640	15,840
	<u>163,784</u>	<u>83,938</u>

16. Creditors: amounts falling due after more than one year

Included within creditors: amounts falling due after more than one year is an amount of £1,894,872 (2020: £2,036,931) in respect of liabilities payable or repayable otherwise than by instalments which fall due for payment after more than five years from the reporting date.

17. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2021	2020
	£	£
Recognised in other operating income:		
Government grants recognised directly in income	<u>122,689</u>	<u>-</u>

18. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>

19. Analysis of changes in net debt

	At 1 Apr 2020	Cash flows	At 31 Mar 2021
	£	£	£
Cash at bank and in hand	58,158	(14,285)	43,873
Bank overdrafts	(94,226)	11,179	(83,047)
Debt due within one year	(671,432)	(89,559)	(760,991)
Debt due after one year	(2,036,931)	79,417	(1,957,514)
	<u>(2,744,431)</u>	<u>(13,248)</u>	<u>(2,757,679)</u>

365 CARE HOMES LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31st March 2021

20. Related party transactions

The company was under the control of the managing director, Mr I Sarathchandra throughout the current and previous year. The note 7 and 10 of the financial statements show the amount of remuneration and dividends paid to the directors and the shareholders of the company during the current and previous year.

No other transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.