

**PERSONA CARE AND SUPPORT LIMITED
ANNUAL REPORT AND
FINANCIAL STATEMENTS
31 MARCH 2021**



PERSONA CARE AND SUPPORT LIMITED

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PERSONA CARE AND SUPPORT LIMITED

COMPANY INFORMATION

Directors

S A Belfield
A J Hunter
H J Lavers
B F Noblett
T M Phillips
D Pope
K E Sowden
B E Topham

Company secretary B F Noblett

Registered office

Grundy
Wellington Road
Bury
Lancashire
BL9 9AH

Auditors

Horsfield & Smith
Tower House
269 Walmersley Road
Bury
Lancashire
BL9 6NX

PERSONA CARE AND SUPPORT LIMITED

STRATEGIC REPORT YEAR ENDED 31 MARCH 2021

The directors present their strategic report for the year ended 31 March 2021.

The company was incorporated on 10th August 2015 and commenced trading on 1st October 2015. It is a local authority trading company established by the Council of the Metropolitan Borough of Bury (Bury MBC) to provide social care services on the Council's behalf.

Principal activity

The principal activity of the company is the provision of social care to older people and adults with disabilities.

Purpose

The purpose of the company is to support people to live their best lives. A key principle of the organisation is to provide support which is tailor made to individual's needs.

Vision

The vision of the company is:

Transform social care by delivering specialist support and bringing together like-minded partners to develop effective, flexible and sustainable solutions tailored to people and place that we are proud to deliver.

The strategy to deliver this is focussed on 4 main areas of ambition:

- People - ensuring the organisation is a good employer and the workforce is sustainable and is equipped to deliver the services offered
- People we support - extending support to more people including those with complex needs
- Partners - Working collaboratively with others, including people we support
- Assets - ensuring buildings that services are delivered from are fit for purpose and maximising technology to improve efficiency and outcomes

PERSONA CARE AND SUPPORT LIMITED

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2021



PERSONA CARE AND SUPPORT LIMITED

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2021

Fair review of the business

The directors are satisfied with the results of the company. The company has met its obligation to provide the required service and has returned an overall surplus in the first five and a half years of trading. In the year to 31 March 2021 the company generated a small deficit after the creation of a restructuring reserve.

The initial contract with Bury MBC expired on 31 March 2021. In April 2021 a new ten year contract with Bury MBC for the provision of services was confirmed.

The strategic direction of the company is growth and service development. The business plan is focussed on developing the strategic partnership with the Council in order to offer services which help support adults with additional needs within the town, particularly where the wider market doesn't offer sufficient number, variety or affordability of solutions.

Principal risks and uncertainties

The directors are responsible for reviewing the principal areas of risk and uncertainty so that major risks can be identified and mitigating action taken.

The directors meet on a regular basis to review company performance, discuss good practice and agree improvement measures.

The review of performance incorporates a performance dashboard which highlights the current position and trends in the areas of operations, people, health and safety and finance.

The company is subject to the general risk and uncertainties of changes in general economic conditions. The risks relating to the particular sector include employment regulations, data protection, freedom of information, quality assurance, safeguarding, non-discrimination, equal opportunities and health and safety. Not all the factors are within the directors' control.

PERSONA CARE AND SUPPORT LIMITED

STRATEGIC REPORT YEAR ENDED 31 MARCH 2021

The principal risks and uncertainties affecting the company are:

1) Council funding

A new ten year contract with Bury Council was confirmed in April 2021. However, there is no assurance about the value of the contract and the organisation has been requested to identify options which will reduce the contract value by £2.5M per annum by 31 March 2022. Approximately 70% of this reduction has been agreed and is in the process of being implemented, this has largely been achieved by removing unused capacity in the contract. Work is ongoing to identify and agree other opportunities.

2) Covid 19 pandemic

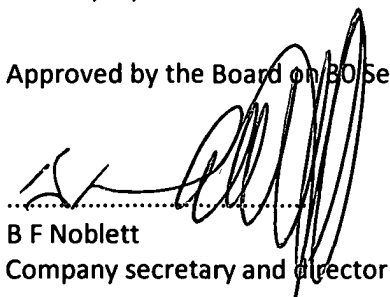
The Covid 19 pandemic started to impact in March 2020 when lockdown was introduced. A number of services were reconfigured with building based day services substantially ceasing in their existing format being replaced by home visits and telephone support as appropriate. Staff who were able to work remotely started homeworking but due to the nature of the services provided the majority of staff continued to work in services. No staff were furloughed during the pandemic. Operating restrictions resulted in a reduction in non Council contract income but this was offset to an extent by additional Covid 19 related services provided to the Council. Increased operational costs resulting from Covid 19 have largely been offset by infection control grants and government reimbursement of additional PPE costs.

Services are now largely operating in their pre-covid formats but uncertainty about the length and severity of the ongoing pandemic continue to make forecasting challenging.

3) Funding pension liabilities

The company is a member of the Greater Manchester Pension Fund (GMPF). The directors have been unable to separately identify the liabilities of the scheme attributable to the company. The company's share of the Fund deficit is reported on the balance sheet in line with the requirements of FRS102. The company monitors and reviews the pension scheme deficit and implements changes to the employer's contribution rate as determined by the fund's periodic actuarial valuation.

Approved by the Board on 30 September 2021 and signed on its behalf by:



.....
B F Noblett
Company secretary and director

PERSONA CARE AND SUPPORT LIMITED

DIRECTORS' REPORT YEAR ENDED 31 MARCH 2021

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

Directors of the company

The directors who held office during the year were as follows:

S A Belfield (appointed 22 March 2021)

A J Hunter (appointed 30 March 2021)

B F Noblett - Company secretary and director

T M Phillips

D Pope

K E Sowden

B E Topham (appointed 8 March 2021)

S H McCombe (ceased 29 March 2021)

A M Beaumont (ceased 14 December 2020)

The following director was appointed after the year end:

H J Lavers (appointed 1 May 2021)

Objectives and policies

A review of the company's objectives and policies is provided in the strategic report.

Employment of disabled persons

The company operates an Equal Opportunities Policy in respect of the recruitment of employees. It gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Employee involvement

The company has established a Staff Director as part of its Board. It also has an Employee Forum which is used to test ideas, involve employees in developing areas of the business and sharing information. The company has a number of established employee involvement mechanisms including a digital staff survey and recognition platform, newsletters, social media pages and an intranet containing relevant information and updates.

PERSONA CARE AND SUPPORT LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2021

Going concern

The directors have adopted the going concern basis in preparing these accounts after assessing the principal risks and having considered the impact of the continuing Covid-19 pandemic and the reduction in contract value with Bury Council. Directors have taken into account forecast cash flows, liquidity and the expected operational activities of the company. We have assumed that our services remain operational, albeit with some reductions to accommodate the planned reduction in contract value.

The directors believe that the company is well placed to manage its financing and other business risks satisfactorily and have a reasonable expectation that the company will have adequate resources to continue in operation for at least 12 months from the signing date of these financial statements. They therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

PERSONA CARE AND SUPPORT LIMITED

DIRECTORS' REPORT YEAR ENDED 31 MARCH 2021

Statement of Directors' Responsibilities

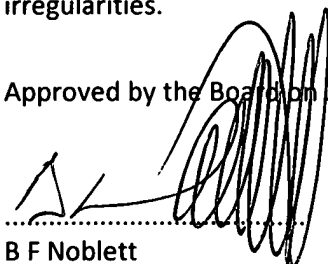
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Approved by the Board on 30 September 2021 and signed on its behalf by:



B F Noblett

Company secretary and director



PERSONA CARE AND SUPPORT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

PERSONA CARE AND SUPPORT LIMITED

Opinion

We have audited the financial statements of Persona Care and Support Limited (the 'company') for the year ended 31 March 2021, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.



PERSONA CARE AND SUPPORT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

PERSONA CARE AND SUPPORT LIMITED

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and 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 our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 8], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



PERSONA CARE AND SUPPORT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

PERSONA CARE AND SUPPORT LIMITED

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered the nature of the limited company's industry and its control environment, and reviewed policies and procedures relating to fraud and compliance with laws and regulations.

We obtained an understanding of the legal and regulatory frameworks that the limited company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included the company's compliance with the Care Quality Commission (CQC) requirements.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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



PERSONA CARE AND SUPPORT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

PERSONA CARE AND SUPPORT LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Peter Nicol Bsc FCA (Senior Statutory Auditor)
For and on behalf of Horsfield & Smith, Statutory Auditor

Tower House
269 Walmersley Road
Bury
Lancashire
BL9 6NX

30 September 2021

PERSONA CARE AND SUPPORT LIMITED

PROFIT AND LOSS ACCOUNT YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Turnover	3	14,413,839	13,686,942
Cost of sales		<u>(10,957,709)</u>	<u>(10,610,516)</u>
Gross profit		3,456,130	3,076,426
Administrative expenses		<u>(3,530,798)</u>	<u>(2,468,469)</u>
Operating (loss)/profit	5	<u>(74,668)</u>	<u>607,957</u>
Other interest receivable and similar income	6	<u>3,137</u>	<u>19,169</u>
		<u>3,137</u>	<u>19,169</u>
(Loss)/profit before tax		(71,531)	627,126
Taxation	9	<u>(11,998)</u>	<u>(115,305)</u>
(Loss)/profit for the financial year		<u><u>(83,529)</u></u>	<u><u>511,821</u></u>

The above results were derived from continuing operations.

PERSONA CARE AND SUPPORT LIMITED

STATEMENT OF COMPREHENSIVE INCOME YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
(Loss)/profit for the year	(83,529)	511,821
Remeasurement gain/loss on defined benefit pension schemes	<u>(6,633,000)</u>	<u>4,943,000</u>
Total comprehensive income for the year	<u><u>(6,716,529)</u></u>	<u><u>5,454,821</u></u>

The notes on pages 17 to 30 form an integral part of these financial statements.

PERSONA CARE AND SUPPORT LIMITED

BALANCE SHEET 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	10	59,169	72,320
Tangible assets	11	<u>124,846</u>	<u>117,046</u>
		<u>184,015</u>	<u>189,366</u>
Current assets			
Debtors	12	518,241	491,190
Cash at bank and in hand	13	<u>3,423,719</u>	<u>2,626,190</u>
		3,941,960	3,117,380
Creditors: Amounts falling due within one year	14	<u>(2,669,194)</u>	<u>(1,778,434)</u>
Net current assets		<u>1,272,766</u>	<u>1,338,946</u>
Total assets less current liabilities		1,456,781	1,528,312
Provisions for liabilities	15	<u>(20,191)</u>	<u>(8,193)</u>
Net assets excluding pension asset/(liability)		1,436,590	1,520,119
Defined benefit obligation	16	<u>(11,221,000)</u>	<u>(4,588,000)</u>
Net liabilities		<u>(9,784,410)</u>	<u>(3,067,881)</u>
Capital and reserves			
Called up share capital	17	1	1
Pension reserve	18	(11,221,000)	(4,588,000)
Profit and loss account	18	<u>1,436,589</u>	<u>1,520,118</u>
Total equity		<u>(9,784,410)</u>	<u>(3,067,881)</u>

Approved and authorised by the Board on 30 September 2021 and signed on its behalf by:


B F Noblett
Company secretary and director

Company Registration Number: 09725580

The notes on pages 17 to 30 form an integral part of these financial statements.

PERSONA CARE AND SUPPORT LIMITED

STATEMENT OF CHANGES IN EQUITY YEAR ENDED 31 MARCH 2021

	Share capital £	Pension reserve £	Profit and loss account £	Total £
At 1 April 2020	1	(4,588,000)	1,520,118	(3,067,881)
Loss for the year	-	-	(83,529)	(83,529)
Other comprehensive income	-	(6,633,000)	-	(6,633,000)
Total comprehensive income	-	(6,633,000)	(83,529)	(6,716,529)
At 31 March 2021	1	(11,221,000)	1,436,589	(9,784,410)
	Share capital £	Pension reserve £	Profit and loss account £	Total £
At 1 April 2019	1	(9,531,000)	1,208,297	(8,322,702)
Profit for the year	-	-	511,821	511,821
Other comprehensive income	-	4,943,000	-	4,943,000
Total comprehensive income	-	4,943,000	511,821	5,454,821
Dividends	-	-	(200,000)	(200,000)
At 31 March 2020	1	(4,588,000)	1,520,118	(3,067,881)

The notes on pages 17 to 30 form an integral part of these financial statements.

PERSONA CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2021

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

Grundy
Wellington Road
Bury
Lancashire
BL9 9AH

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that, as disclosed in the accounting policies, certain items are shown at fair value.

The financial statements are presented in Sterling (£).

Summary of disclosure exemptions

The company has taken advantage of the exemptions in FRS102 1.12(b) (not to prepare a cashflow statement) and 33.1A (not to disclose transactions with Persona Group Limited or the Council of the Metropolitan Borough of Bury) on the basis that it is a wholly own subsidiary.

Name of parent of group

These financial statements are consolidated in the financial statements of the Council of the Metropolitan Borough of Bury.

The financial statements of the Council of the Metropolitan Borough of Bury may be obtained from
Town Hall

Knowsley Street
Bury
BL9 0SW.

PERSONA CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

Going concern

The company has adopted the going concern basis in preparing its financial statements. The directors have a reasonable expectation that the company has adequate resources and future cashflows to continue in operational existence for a period which exceeds twelve months from the signing of these accounts. In making this decision the directors have considered ongoing negotiations with respect to the core contract and the impact of the Covid 19 pandemic on the company's expenses and income streams.

Judgements

There are no judgements that would cause a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The directors make estimates concerning the future. At the reporting date the estimates that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

i) Provision for doubtful debts

A provision is made for trade debts that may not be recoverable. The provision requires management's best estimate of the likely recoverability of each debt based on historic trends and the management's judgement.

ii) Defined contribution pension scheme

The company has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management engage independent actuaries to estimate these factors in determining the net pension obligation in the balance sheet.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax where this is recoverable.

The company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

PERSONA CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2021

Tax

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only 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. If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

The tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income). Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if the company has a legally enforceable right to set off current tax assets against current tax liabilities.

Tangible assets

The company does not recognise a value for the tangible assets that comprise the furniture, fixtures and fittings available for use by the company and transferred to the company from the Council of the Metropolitan Borough of Bury (Bury MBC) on 1st October 2015. These assets were transferred at nil value and the lease agreement specifies that these assets are to be returned to Bury MBC at the earlier of the end of their useful life or the lease term, at nil value.

Tangible assets purchased subsequently are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction, over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Property alterations	20 years straight line
Furniture, fittings and equipment	10 years straight line
ICT equipment	4 years straight line

Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

PERSONA CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2021

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	Over 10 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases and other rentals

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the company recognises annual rent expense equal to amounts owed to the lessor.

Other rentals are expensed as incurred.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

PERSONA CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2021

Defined contribution pension obligation

The company operates a defined contribution plan for employees whose service commenced after 1st October 2015. The assets of the plan are held separately from the company in independently administered funds. Once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet.

Defined benefit pension obligation

The company operates a defined benefit scheme for employees who retain protected employment rights prior to 1st October 2015. The scheme is a multi-employer plan defined benefit scheme.

The liability recognised in the balance sheet in respect of the defined benefit scheme is the present value of the defined benefit obligation at the reporting date less the fair value of the scheme assets at the reporting date. The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation.

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Basic financial assets and liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction.

If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future cashflows discounted at a market rate of interest. Such instruments are subsequently measured at amortised cost using the effective interest method.

Other financial assets and liabilities that are not basic financial instruments are initially measured at fair value, which is normally the transaction price. Such instruments are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except where the fair values cannot be measured reliably, when the instrument is measured at cost less impairment.

Financial assets and liabilities are only offset in the statement of financial position when, and only when, there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when:

- a) the contractual rights to the cash flows from the financial asset expire or are settled; or
- b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

PERSONA CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2021

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2021	2020
	£	£
Rendering of services	13,944,503	13,418,759
Grants received	288,046	-
Other revenue	181,290	268,183
	<u>14,413,839</u>	<u>13,686,942</u>

4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2021	2020
	£	£

5 Operating (loss)/profit

Arrived at after charging/(crediting)

	2021	2020
	£	£
Depreciation expense	27,542	19,728
Amortisation expense	<u>13,151</u>	<u>13,151</u>

6 Other interest receivable and similar income

	2021	2020
	£	£
Interest income on bank deposits	<u>3,137</u>	<u>19,169</u>

PERSONA CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

7 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2021	2020
	£	£
Wages and salaries	9,506,581	9,046,183
Social security costs	768,879	709,988
Pension costs, defined contribution scheme	152,455	152,149
Pension costs, defined benefit scheme	1,047,700	1,015,762
Other employee expense	935,728	134,401
	<u>12,411,343</u>	<u>11,058,483</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2021	2020
	No.	No.
Directors	7	6
Administration and support	23	23
Care services	409	395
	<u>439</u>	<u>424</u>

8 Directors' remuneration

The directors' remuneration for the year was as follows:

	2021	2020
	£	£
Remuneration	195,270	191,261
Contributions paid to money purchase schemes	5,109	5,004
Contributions paid to defined benefit scheme	19,436	19,194
	<u>219,815</u>	<u>215,459</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2021	2020
	No.	No.
Accruing benefits under defined benefit pension scheme	1	2
Accruing benefits under money purchase pension scheme	3	2

PERSONA CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2021

9 Taxation

Tax charged/(credited) in the income statement

	2021 £	2020 £
Current taxation		
UK corporation tax	-	120,143
UK corporation tax adjustment to prior periods	-	67
	-	120,210
Deferred taxation		
Arising from origination and reversal of timing differences	11,998	(4,905)
Tax expense in the income statement	11,998	115,305

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2020 - lower than the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	2021 £	2020 £
(Loss)/profit before tax	(71,531)	627,126
Corporation tax at standard rate	(13,591)	119,154
Effect of expense not deductible in determining taxable profit	347	280
Tax difference from a prior period	-	67
Tax effect of capital allowances and depreciation	12,966	(6,781)
Tax decrease arising from group relief	(596)	-
Other tax effects	12,872	2,585
Total tax charge	11,998	115,305

PERSONA CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2021

10 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 April 2020	131,500	131,500
At 31 March 2021	131,500	131,500
Amortisation		
At 1 April 2020	59,180	59,180
Amortisation charge	13,151	13,151
At 31 March 2021	72,331	72,331
Carrying amount		
At 31 March 2021	59,169	59,169
At 31 March 2020	72,320	72,320

11 Tangible assets

	Leasehold property alterations £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 April 2020	19,924	137,136	157,060
Additions	-	35,343	35,343
At 31 March 2021	19,924	172,479	192,403
Depreciation			
At 1 April 2020	1,494	38,520	40,014
Charge for the year	997	26,546	27,543
At 31 March 2021	2,491	65,066	67,557
Carrying amount			
At 31 March 2021	17,433	107,413	124,846
At 31 March 2020	18,430	98,616	117,046

PERSONA CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2021

12 Debtors

	2021 £	2020 £
Trade debtors	282,125	317,123
Amounts owed by related parties	51,387	49,561
Other debtors	184,729	124,506
	<u>518,241</u>	<u>491,190</u>

13 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	5,572	3,650
Cash at bank	3,418,147	2,622,540
	<u>3,423,719</u>	<u>2,626,190</u>

14 Creditors

	2021 £	2020 £
Due within one year		
Trade creditors	41,464	9,877
Social security and other taxes	214,599	196,250
Other payables	2,413,131	1,452,164
Corporation tax liability	9 -	120,143
	<u>2,669,194</u>	<u>1,778,434</u>

15 Provisions for liabilities

	Deferred tax £	Total £
At 1 April 2020	8,193	8,193
Increase (decrease) in existing provisions	11,998	11,998
At 31 March 2021	<u>20,191</u>	<u>20,191</u>

PERSONA CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

16 Pension and other schemes

The company employees participate in one of two pension schemes:

The Peoples Pension for new employees which is a defined contribution scheme.

The Greater Manchester Pension Scheme for employees who retain protected employment rights prior to 1st October 2015. The scheme is a multi-employer defined benefit scheme managed by Tameside Borough Council.

Defined contribution pension scheme

The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £152,455 (2020 - £152,149).

Defined benefit pension schemes

Greater Manchester Pension Fund

The scheme is a funded defined-benefit plan, with the assets held in separate funds administered by Tameside Local Authority on behalf of the Greater Manchester Pension Fund.

The date of the most recent comprehensive actuarial valuation was 01 January 0001. The last actuarial valuation was as at 31st March 2017.

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	2021 £	2020 £
Fair value of scheme assets	37,198,000	29,863,000
Present value of defined benefit obligation	(48,419,000)	(34,451,000)
Defined benefit pension scheme deficit	<u>(11,221,000)</u>	<u>(4,588,000)</u>

PERSONA CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2021

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2021 £
Present value at start of year	34,451,000
Current service cost	1,535,000
Interest cost	809,000
Actuarial gains and losses	(348,000)
Contributions by scheme participants	287,000
Remeasurements	<u>11,685,000</u>
Present value at end of year	<u>48,419,000</u>

Fair value of scheme assets

Changes in the fair value of scheme assets are as follows:

	2021 £
Fair value at start of year	29,863,000
Interest income	696,000
Employer contributions	925,000
Contributions by scheme participants	287,000
Benefits paid	(348,000)
Remeasurement	<u>5,775,000</u>
Fair value at end of year	<u>37,198,000</u>

Analysis of assets

The major categories of scheme assets are as follows:

The pension scheme has not invested in any of the company's own financial instruments or in properties or other assets used by the company.

PERSONA CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2021

Principal actuarial assumptions

The principal actuarial assumptions at the statement of financial position date are as follows:

	2021 %	2020 %
Mortality rate	1.50	1.50
Discount rate	2.05	2.30
Future salary increases	3.55	2.60
Future pension increases	<u>2.80</u>	<u>1.80</u>

Post retirement mortality assumptions

	2021 Years	2020 Years
Current UK pensioners at retirement age - male	21	21
Current UK pensioners at retirement age - female	23	23
Future UK pensioners at retirement age - male	22	22
Future UK pensioners at retirement age - female	<u>25</u>	<u>25</u>

17 Share capital

Allotted, called up and fully paid shares

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

18 Reserves

Share capital

Share capital represents the nominal value of shares that have been issued.

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

Pension reserve

The pension reserve represents the calculated deficit or surplus attributable to the defined benefit pension scheme.

PERSONA CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

19 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2021	2020
	£	£
Later than one year and not later than five years	-	217,300

The amount of non-cancellable operating lease payments recognised as an expense during the year was £Nil (2020 - £217,300).

20 Dividends

Interim dividends paid

	2021	2020
	£	£
Interim dividend of £Nil (2020 - £200,000) per each Ordinary shares of £1 each	-	200,000

21 Parent and ultimate parent undertaking

The company's immediate parent is Persona Group Limited, incorporated in England and Wales.

The ultimate parent is the Council of the Metropolitan Borough of Bury.

The parent of the largest group in which these financial statements are consolidated is Council of the Metropolitan Borough of Bury.

The address of Council of the Metropolitan Borough of Bury is:

Town Hall
Knowsley Street
Bury
BL9 0SW

PERSONA CARE AND SUPPORT LIMITED

DETAILED PROFIT AND LOSS ACCOUNT YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Turnover (analysed below)	14,413,839	13,686,942
Cost of sales (analysed below)	<u>(10,957,709)</u>	<u>(10,610,516)</u>
Gross profit	<u>3,456,130</u>	<u>3,076,426</u>
Gross profit (%)	23.98%	22.48%
Administrative expenses		
Employment costs (analysed below)	(1,927,636)	(1,010,361)
Establishment costs (analysed below)	(813,574)	(829,049)
General administrative expenses (analysed below)	(740,717)	(589,134)
Finance charges (analysed below)	(8,178)	(7,046)
Depreciation costs (analysed below)	<u>(40,693)</u>	<u>(32,879)</u>
	<u>(3,530,798)</u>	<u>(2,468,469)</u>
Operating (loss)/profit	(74,668)	607,957
Other interest receivable and similar income (analysed below)	<u>3,137</u>	<u>19,169</u>
(Loss)/profit before tax	<u><u>(71,531)</u></u>	<u><u>627,126</u></u>

PERSONA CARE AND SUPPORT LIMITED

DETAILED PROFIT AND LOSS ACCOUNT YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Turnover		
Rendering of services	13,944,503	13,418,759
Other revenue	181,290	268,183
Grants and subsidies	288,046	-
	<u>14,413,839</u>	<u>13,686,942</u>
Cost of sales		
Wages and salaries	8,669,903	8,306,073
Staff NIC (Employers)	686,321	640,757
Staff pensions (Defined contribution)	122,558	132,131
Staff pensions (Defined benefit)	1,004,925	969,161
Agency staff	265,703	326,060
Catering	197,663	217,917
Sundry expenses	10,636	18,417
	<u>10,957,709</u>	<u>10,610,516</u>
Employment costs		
Wages and salaries	641,408	548,849
Staff NIC (Employers)	60,961	48,278
Directors remuneration	195,270	191,261
Directors NIC (Employers)	21,597	20,953
Staff pensions (Defined contribution)	24,788	15,014
Staff pensions (Defined benefit)	23,339	27,407
Directors pensions (Defined contribution)	5,109	5,004
Directors pensions (Defined benefit)	19,436	19,194
Other staff costs	51,011	47,738
Staff welfare	884,717	86,663
	<u>1,927,636</u>	<u>1,010,361</u>
Establishment costs		
Rent and rates	339,157	358,836
Water rates	43,024	43,668
Light, heat and power	110,802	123,895
Insurance	60,248	33,139
Repairs and maintenance	142,785	151,129
Equipment repairs and renewals	117,558	118,382
	<u>813,574</u>	<u>829,049</u>

This page does not form part of the statutory financial statements.

PERSONA CARE AND SUPPORT LIMITED

DETAILED PROFIT AND LOSS ACCOUNT YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
General administrative expenses		
Telephone and fax	77,296	26,590
Printing, postage and stationery	20,432	39,620
Contribution to energy fund	-	13,500
Trade subscriptions	42,275	32,454
Sundry expenses	12,062	13,301
Cleaning	35,136	39,115
Clothes, uniform & laundry	82,506	19,250
Management charges payable	385,236	323,375
Travel and subsistence	20,393	28,653
Legal and professional fees	65,381	53,276
	<u>740,717</u>	<u>589,134</u>
Finance charges		
Bank charges	<u>8,178</u>	<u>7,046</u>
Depreciation costs		
Amortisation of goodwill	13,151	13,151
Depreciation of office equipment (owned)	<u>27,542</u>	<u>19,728</u>
	<u>40,693</u>	<u>32,879</u>
Other interest receivable and similar income		
Bank interest receivable	<u>3,137</u>	<u>19,169</u>