

Company registration number SC278344 (Scotland)

BALMER CARE HOMES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022

BALMER CARE HOMES GROUP LIMITED

COMPANY INFORMATION

Directors Mr G Balmer
Mr A Balmer
Mrs J McGowan

Secretary Mr A Balmer

Company number SC278344

Registered office Titanium 1
King's Inch Place
Renfrew
Renfrewshire
United Kingdom
PA4 8WF

Auditor Azets Audit Services
Titanium 1
King's Inch Place
Renfrew
Renfrewshire
United Kingdom
PA4 8WF

BALMER CARE HOMES GROUP LIMITED

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BALMER CARE HOMES GROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 NOVEMBER 2022

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

Fair review of the business

The group results for the period show a pre-tax profit of £742k (2021 - £850k) on turnover of £4.1m (2021 - £3.7m). The group has a net balance sheet value of £3.66m at 30 November 2022 (2021 - £3.23m).

Principal risks and uncertainties

We believe that the group can meet key business risks of competition and also of employee retention. By providing the highest quality care and facilities the group is well positioned to continue to meet stringent industry regulation.

The group has developed a strong working relationship with its bankers and we believe this relationship together with our focus on continued operations and the recent increase in capacity places the group in a strong position to meet the current uncertainties faced in the financial markets and the economy as a whole.

Key performance indicators

Given the straightforward nature of this business, the directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business.

Employment of Disabled Persons

The company is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind. The company, as part of its overall policy, gives full and fair consideration to applications for employment from people with disabilities and would actively pursue the retraining of employees who become disabled while employed by the company.

Employee Involvement

Member of the management team regularly visit branches and discuss matters of current interest and concern to the business with members of staff.

Future Outlook

The group is in a strong position to continue as a leading provider of residential nursing care with continuing high occupancy rates.

On behalf of the board

Mr A Balmer
Director

31 August 2023

BALMER CARE HOMES GROUP LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 NOVEMBER 2022

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

Principal activities

The principal activity of the company and group continued to be that of the running of residential nursing homes and property development.

Results and dividends

The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £136,569. 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 G Balmer
Mr A Balmer
Mrs J McGowan

Auditor

The auditor, Azets Audit Services, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

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.

On behalf of the board

Mr A Balmer
Director

31 August 2023

BALMER CARE HOMES GROUP LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 NOVEMBER 2022

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

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

BALMER CARE HOMES GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BALMER CARE HOMES GROUP LIMITED

Opinion

We have audited the financial statements of Balmer Care Homes Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 November 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 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 30 November 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.

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.

BALMER CARE HOMES GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BALMER CARE HOMES GROUP LIMITED

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.

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.

BALMER CARE HOMES GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BALMER CARE HOMES GROUP LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.

Jennifer Alexander (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

31 August 2023

Chartered Accountants
Statutory Auditor

Titanium 1
King's Inch Place
Renfrew
Renfrewshire
United Kingdom
PA4 8WF

BALMER CARE HOMES GROUP LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 NOVEMBER 2022

		2022	2021
	Notes	£	£
Turnover	3	4,123,165	3,721,936
Administrative expenses		(3,420,826)	(2,910,244)
Other operating income		66,749	61,307
Operating profit	4	769,088	872,999
Interest payable and similar expenses	7	(27,367)	(22,646)
Profit before taxation		741,721	850,353
Tax on profit	8	(169,394)	(149,996)
Profit for the financial year	24	572,327	700,357

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

BALMER CARE HOMES GROUP LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 NOVEMBER 2022

	2022	2021
	£	£
Profit for the year	572,327	700,357
Other comprehensive income	-	-
Total comprehensive income for the year	<u>572,327</u>	<u>700,357</u>

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

BALMER CARE HOMES GROUP LIMITED

GROUP BALANCE SHEET

AS AT 30 NOVEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		1,879,212		1,976,459
Current assets					
Stocks	13	1,892,746		1,892,746	
Debtors	14	649,093		711,442	
Cash at bank and in hand		877,248		621,635	
		<u>3,419,087</u>		<u>3,225,823</u>	
Creditors: amounts falling due within one year	15	<u>(1,251,562)</u>		<u>(1,449,195)</u>	
Net current assets			<u>2,167,525</u>		<u>1,776,628</u>
Total assets less current liabilities			<u>4,046,737</u>		<u>3,753,087</u>
Creditors: amounts falling due after more than one year	16		<u>(385,490)</u>		<u>(527,598)</u>
Net assets			<u><u>3,661,247</u></u>		<u><u>3,225,489</u></u>
Capital and reserves					
Called up share capital	21	65,440		65,440	
Capital redemption reserve	22	86,815		86,815	
Other reserves	23	432,120		432,120	
Profit and loss reserves	24	3,076,872		2,641,114	
Total equity			<u><u>3,661,247</u></u>		<u><u>3,225,489</u></u>

The financial statements were approved by the board of directors and authorised for issue on 31 August 2023 and are signed on its behalf by:

Mr A Balmer
Director

BALMER CARE HOMES GROUP LIMITED

COMPANY BALANCE SHEET

AS AT 30 NOVEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10	1,755,000		1,809,000	
Investments	11	52,141		52,141	
		<u>1,807,141</u>		<u>1,861,141</u>	
Current assets					
Debtors	14	886,000		1,041,743	
Cash at bank and in hand		482,083		440,522	
		<u>1,368,083</u>		<u>1,482,265</u>	
Creditors: amounts falling due within one year	15	<u>(1,140,308)</u>		<u>(987,485)</u>	
Net current assets		<u>227,775</u>		<u>494,780</u>	
Total assets less current liabilities		<u>2,034,916</u>		<u>2,355,921</u>	
Creditors: amounts falling due after more than one year	16	<u>(382,840)</u>		<u>(515,387)</u>	
Net assets		<u>1,652,076</u>		<u>1,840,534</u>	
Capital and reserves					
Called up share capital	21	65,440		65,440	
Capital redemption reserve	22	86,815		86,815	
Profit and loss reserves	24	1,499,821		1,688,279	
Total equity		<u>1,652,076</u>		<u>1,840,534</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 loss for the year was £51,889 (2021 - £62,148 profit).

The financial statements were approved by the board of directors and authorised for issue on 31 August 2023 and are signed on its behalf by:

Mr A Balmer
Director

Company Registration No. SC278344

BALMER CARE HOMES GROUP LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 NOVEMBER 2022

	Notes	Share capital £	Capital redemption reserve £	Other reserves £	Profit and loss reserves £	Total £
Balance at 1 December 2020		65,440	86,815	432,120	2,148,455	2,732,830
Year ended 30 November 2021:						
Profit and total comprehensive income for the year		-	-	-	700,357	700,357
Dividends	9	-	-	-	(207,698)	(207,698)
Balance at 30 November 2021		65,440	86,815	432,120	2,641,114	3,225,489
Year ended 30 November 2022:						
Profit and total comprehensive income for the year		-	-	-	572,327	572,327
Issue of share capital	21	1	-	-	-	1
Dividends	9	-	-	-	(136,569)	(136,569)
Other movements		(1)	-	-	-	(1)
Balance at 30 November 2022		65,440	86,815	432,120	3,076,872	3,661,247

BALMER CARE HOMES GROUP LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 NOVEMBER 2022

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 December 2020		65,440	86,815	1,833,829	1,986,084
Year ended 30 November 2021:					
Profit and total comprehensive income for the year		-	-	62,148	62,148
Dividends	9	-	-	(207,698)	(207,698)
Balance at 30 November 2021		65,440	86,815	1,688,279	1,840,534
Year ended 30 November 2022:					
Loss and total comprehensive income for the year		-	-	(51,889)	(51,889)
Issue of share capital	21	1	-	-	1
Dividends	9	-	-	(136,569)	(136,569)
Other movements		(1)	-	-	(1)
Balance at 30 November 2022		65,440	86,815	1,499,821	1,652,076

BALMER CARE HOMES GROUP LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 NOVEMBER 2022

		2022		2021	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	27	767,231		891,139	
Interest paid		(27,367)		(22,646)	
Income taxes paid		(148,416)		(229,893)	
Net cash inflow from operating activities		<u>591,448</u>		<u>638,600</u>	
Investing activities					
Purchase of tangible fixed assets		-		(102,736)	
Receipts arising from loans made		19,285		(218,957)	
Net cash generated from/(used in) investing activities		<u>19,285</u>		<u>(321,693)</u>	
Financing activities					
Repayment of bank loans		(209,235)		(227,709)	
Payment of finance leases obligations		(9,316)		(6,667)	
Dividends paid to equity shareholders		(136,569)		(207,698)	
Net cash used in financing activities		<u>(355,120)</u>		<u>(442,074)</u>	
Net increase/(decrease) in cash and cash equivalents		<u>255,613</u>		<u>(125,167)</u>	
Cash and cash equivalents at beginning of year		621,635		746,802	
Cash and cash equivalents at end of year		<u><u>877,248</u></u>		<u><u>621,635</u></u>	

BALMER CARE HOMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2022

1 Accounting policies

Company information

Balmer Care Homes Group Limited ("the company") is a private limited company domiciled and incorporated in Scotland. The registered office is c/o Azets, Titanium 1, King's Inch Place, Renfrew, PA4 8WF.

The group consists of Balmer Care Homes Group 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. 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 Balmer Care Homes Group 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 30 November 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.

1.4 Going concern

The current and future financial position of the group and its liquidity position have been reviewed by the directors. Following their review, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. As a result, the directors consider that it is appropriate to prepare the financial statements on the going concern basis.

BALMER CARE HOMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

1 Accounting policies

(Continued)

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.

Turnover represents fee income relating to the provision of care services. Fee income comprises care home fees which are recognised when the delivery of the service is completed. Fees invoiced in advance are included in deferred income until the service is completed.

1.6 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% on cost
Plant and equipment	25% on reducing balance and 10% on cost
Fixtures and fittings	25% on reducing balance and 10% on cost
Motor vehicles	25% on reducing balance

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.

1.7 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.

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). 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.

BALMER CARE HOMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

1 Accounting policies

(Continued)

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.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

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.

BALMER CARE HOMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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.

BALMER CARE HOMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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.

BALMER CARE HOMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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.

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

1.17 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.

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.

BALMER CARE HOMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

3 Turnover and other revenue

	2022	2021
	£	£
Turnover analysed by class of business		
Provision of care home services	4,123,165	3,721,936

	2022	2021
	£	£
Other revenue		
Grants received	-	12,053

4 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Government grants	-	(12,053)
Depreciation of owned tangible fixed assets	72,232	76,712
Depreciation of tangible fixed assets held under finance leases	25,015	26,332

5 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	8,500	7,500
Audit of the financial statements of the company's subsidiaries	14,000	11,500

6 Employees

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

Group		Company	
2022	2021	2022	2021
Number	Number	Number	Number
126	126	3	3

BALMER CARE HOMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

6 Employees

(Continued)

Their aggregate remuneration comprised:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Wages and salaries	2,101,735	1,929,803	-	-
Social security costs	153,302	141,532	-	-
Pension costs	41,526	39,660	-	-
	<u>2,296,563</u>	<u>2,110,995</u>	<u>-</u>	<u>-</u>

7 Interest payable and similar expenses

	2022 £	2021 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	22,707	21,840
Other finance costs:		
Interest on finance leases and hire purchase contracts	1,743	708
Other interest	2,917	98
	<u>27,367</u>	<u>22,646</u>

8 Taxation

	2022 £	2021 £
Current tax		
UK corporation tax on profits for the current period	159,348	150,172
Adjustments in respect of prior periods	-	(4,958)
	<u>159,348</u>	<u>145,214</u>
Deferred tax		
Origination and reversal of timing differences	9,510	18,040
Changes in tax rates	-	(13,258)
Adjustment in respect of prior periods	536	-
	<u>10,046</u>	<u>4,782</u>
Total deferred tax	<u>10,046</u>	<u>4,782</u>
Total tax charge	<u>169,394</u>	<u>149,996</u>

BALMER CARE HOMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

8 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	741,721	850,353
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	140,927	161,567
Tax effect of expenses that are not deductible in determining taxable profit	5,129	1,775
Tax effect of income not taxable in determining taxable profit	-	(1,267)
Adjustments in respect of prior years	-	(4,958)
Deferred tax adjustments in respect of prior years	536	-
Remeasurement of deferred tax	2,282	(7,121)
Fixed asset differences	20,520	-
Taxation charge	169,394	149,996

BALMER CARE HOMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

9 Dividends

	2022 Per share £	2021 Per share £	2022 Total £	2021 Total £
Recognised as distributions to equity holders:				
'A' Ordinary shares				
Interim paid	1.30	2.44	85,536	159,427
'C' Ordinary shares				
Interim paid	-	570.00	-	11,392
'D' Ordinary shares				
Interim paid	745.05	570.00	14,901	11,392
'E' Ordinary shares				
Interim paid	602.20	570.00	12,044	11,392
'F' Ordinary shares				
Interim paid	2,408.80	705.00	12,044	14,095
'G' Ordinary shares				
Interim paid	2,408.80	-	12,044	-
Total dividends				
Interim dividends paid			136,569	207,698

10 Tangible fixed assets

Group	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 December 2021 and 30 November 2022	2,700,000	225,256	1,648,325	211,455	4,785,036
Depreciation and impairment					
At 1 December 2021	891,000	209,351	1,608,113	100,113	2,808,577
Depreciation charged in the year	54,000	3,976	10,053	29,218	97,247
At 30 November 2022	945,000	213,327	1,618,166	129,331	2,905,824
Carrying amount					
At 30 November 2022	1,755,000	11,929	30,159	82,124	1,879,212
At 30 November 2021	1,809,000	15,905	40,212	111,342	1,976,459

BALMER CARE HOMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

10 Tangible fixed assets

(Continued)

Company	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Total £
Cost				
At 1 December 2021 and 30 November 2022	2,700,000	160,888	1,451,686	4,312,574
Depreciation and impairment				
At 1 December 2021	891,000	160,888	1,451,686	2,503,574
Depreciation charged in the year	54,000	-	-	54,000
At 30 November 2022	945,000	160,888	1,451,686	2,557,574
Carrying amount				
At 30 November 2022	1,755,000	-	-	1,755,000
At 30 November 2021	1,809,000	-	-	1,809,000

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2022 £	2021 £	Company 2022 £	2021 £
Motor vehicles	75,046	100,061	-	-

11 Fixed asset investments

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries	12	-	-	52,141	52,141

Movements in fixed asset investments

Company	Shares in subsidiaries £
Cost or valuation	
At 1 December 2021 and 30 November 2022	52,141
Carrying amount	
At 30 November 2022	52,141
At 30 November 2021	52,141

BALMER CARE HOMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

12 Subsidiaries

Details of the company's subsidiaries at 30 November 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Summerlee House Limited	1	Ordinary	100.00
Balmer Developments Limited	1	Ordinary	100.00

Registered office addresses (all UK unless otherwise indicated):

1 Azets, Titanium 1, Kings Inch Place, Glasgow, G51 4BP

13 Stocks

	Group 2022 £	2021 £	Company 2022 £	2021 £
Raw materials and consumables	4,400	4,400	-	-
Work in progress	1,888,346	1,888,346	-	-
	<u>1,892,746</u>	<u>1,892,746</u>	<u>-</u>	<u>-</u>

14 Debtors

	Group 2022 £	2021 £	Company 2022 £	2021 £
Amounts falling due within one year:				
Trade debtors	208,844	318,445	-	-
Corporation tax recoverable	72,685	5,992	64,125	-
Amounts owed by group undertakings	-	-	779,004	979,686
Other debtors	334,389	343,784	10	10
Prepayments and accrued income	13,545	13,545	-	-
	<u>629,463</u>	<u>681,766</u>	<u>843,139</u>	<u>979,696</u>
Deferred tax asset (note 19)	19,630	29,676	42,861	62,047
	<u>649,093</u>	<u>711,442</u>	<u>886,000</u>	<u>1,041,743</u>

BALMER CARE HOMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

15 Creditors: amounts falling due within one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans	17	143,582	220,270	143,582	220,270
Obligations under finance leases	18	10,245	10,000	-	-
Trade creditors		64,193	39,449	-	-
Amounts owed to group undertakings		-	-	316,836	-
Corporation tax payable		228,958	151,333	64,125	-
Other taxation and social security		29,938	30,727	-	-
Other creditors		598,798	820,499	589,738	741,188
Accruals and deferred income		175,848	176,917	26,027	26,027
		<u>1,251,562</u>	<u>1,449,195</u>	<u>1,140,308</u>	<u>987,485</u>

16 Creditors: amounts falling due after more than one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans and overdrafts	17	382,840	515,387	382,840	515,387
Obligations under finance leases	18	2,650	12,211	-	-
		<u>385,490</u>	<u>527,598</u>	<u>382,840</u>	<u>515,387</u>

17 Loans and overdrafts

	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans	<u>526,422</u>	<u>735,657</u>	<u>526,422</u>	<u>735,657</u>
Payable within one year	143,582	220,270	143,582	220,270
Payable after one year	<u>382,840</u>	<u>515,387</u>	<u>382,840</u>	<u>515,387</u>

There is a floating charge over the assets and undertakings of the group companies and standard securities are held over Summerlee House Limited.

Cross guarantees exist between all group companies and the directors have provided bank guarantees for certain debt facilities.

BALMER CARE HOMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

18 Finance lease obligations

	Group 2022 £	2021 £	Company 2022 £	2021 £
Future minimum lease payments due under finance leases:				
Within one year	10,245	10,000	-	-
In two to five years	2,650	12,211	-	-
	<u>12,895</u>	<u>22,211</u>	<u>-</u>	<u>-</u>

Finance lease payments represent rentals payable by the company or group for certain motor vehicles. 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 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

19 Deferred taxation

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

	Assets 2022 £	Assets 2021 £
Group		
Accelerated capital allowances	19,630	29,676
	<u>19,630</u>	<u>29,676</u>
	Assets 2022 £	Assets 2021 £
Company		
Accelerated capital allowances	42,861	62,047
	<u>42,861</u>	<u>62,047</u>
	Group 2022 £	Company 2022 £
Movements in the year:		
Asset at 1 December 2021	(29,676)	(62,047)
Charge to profit or loss	10,046	19,186
Asset at 30 November 2022	<u>(19,630)</u>	<u>(42,861)</u>

BALMER CARE HOMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

20 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	41,526	39,660

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.

21 Share capital

Group and company	2022	2021	2022	2021
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
'A' Ordinary shares of 10p each	654,300	654,300	65,430	65,430
'B' Ordinary shares of 10p each	20	20	2	2
'C' Ordinary shares of 10p each	20	20	2	2
'D' Ordinary shares of 10p each	20	20	2	2
'E' Ordinary shares of 10p each	20	20	2	2
'F' Ordinary shares of 10p each	5	20	1	2
'G' Ordinary shares of 10p each	5	-	1	-
'H' Ordinary shares of 10p each	5	-	-	-
'I' Ordinary shares of 10p each	5	-	-	-
	654,400	654,400	65,440	65,440

Ordinary "A" shares holds the right to one vote. "B", "C", "D", "E", "F", "G", "H", and "I" shares do not carry any voting rights.

There are no restrictions on dividends for all share classes.

In the event of winding up basis "B", "C", "D", "E", "F", "G", "H", and "I" hold priority entitlement to their nominal value plus and additional 10% of their nominal value thereof. The remaining balance would be distributed to the A Ordinary shareholders in line with their respective shareholdings.

On 1 March 2022 the 20 Ordinary F shares were sub-divided into 5 Ordinary F shares, 5 Ordinary G shares; 5 Ordinary H shares, 5 Ordinary I shares.

22 Capital redemption reserve

	Group	2021	Company	2021
	2022		2022	
	£	£	£	£
At the beginning and end of the year	86,815	86,815	86,815	86,815

BALMER CARE HOMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

23 Other reserves

Group	£
At the beginning of the prior year	432,120
At the end of the prior year	432,120
At the end of the current year	432,120
Company	£
At the beginning of the prior year	-
At the end of the prior year	-
At the end of the current year	-

24 Profit and loss reserves

	Group 2022 £	2021 £	Company 2022 £	2021 £
At the beginning of the year	2,641,114	2,148,455	1,688,279	1,833,829
Profit/(loss) for the year	572,327	700,357	(51,889)	62,148
Dividends	(136,569)	(207,698)	(136,569)	(207,698)
At the end of the year	3,076,872	2,641,114	1,499,821	1,688,279

BALMER CARE HOMES GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

25 Related party transactions

Transactions with related parties

Sums totalling £328,515 (2021 - £285,536) were advanced to directors and sums totalling £170,000 (2021 - £159,427) were repaid by directors. At the year end, amounts due from directors was £444,051 (2021 - £285,536).

Sums totalling £83,650 (2021 - £147,426) were advanced to family of the directors and sums totalling £nil (2021 - £nil) were repaid by family of the directors. At the year end, amounts due to these related parties was £371,984 (2021 - £455,634).

At the year end, amounts due to other related parties was £329,853 (2021 - £297,453).

26 Controlling party

The company and group were under the control of the directors throughout the year.

The ultimate controlling party is Mr A Balmer by virtue of his 75% shareholding in Balmer Care Homes Group Limited at the year end.

27 Cash generated from group operations

	2022 £	2021 £
Profit for the year after tax	572,327	700,357
Adjustments for:		
Taxation charged	169,394	149,996
Finance costs	27,367	22,646
Depreciation and impairment of tangible fixed assets	97,247	103,044
Movements in working capital:		
Decrease/(increase) in debtors	99,711	(69,089)
Decrease in creditors	(198,815)	(15,815)
Cash generated from operations	767,231	891,139

28 Analysis of changes in net funds/(debt) - group

	1 December 2021 £	Cash flows £	30 November 2022 £
Cash at bank and in hand	621,635	255,613	877,248
Borrowings excluding overdrafts	(735,657)	209,235	(526,422)
Obligations under finance leases	(22,211)	9,316	(12,895)
	(136,233)	474,164	337,931

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.