

Company registration number 01006953 (England and Wales)

PRESTIGE NURSING LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

PRESTIGE NURSING LTD

COMPANY INFORMATION

Directors

Mr S Mistry
Mr D J B Sandoz
Mrs J M Renton
Mrs V Sapojnic

Secretary

Sodexo Corporate Services (No.2) Limited

Company number

01006953

Registered office

1st Floor
Kirkgate
19-31 Church Street
Epsom
Surrey
KT17 4PF

Auditor

KPMG LLP
1 St. Peter's Square
Manchester
M2 3AE

PRESTIGE NURSING LTD

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PRESTIGE NURSING LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The directors present the strategic report for the year ended 31 August 2022.

Principal Activity

The principal activity of the company continued to be the provision of high quality domiciliary and complex care to clients in England.

Business Review

Brexit

The UK left the EU on the 31 January 2020 and the subsequent transition period ended on 31 December 2020. This has adversely impacted the care sector's ability to recruit professional carers from the European Union, unless they have settled status or otherwise have the right to work in the UK, and has therefore reduced the size of the available labour pool.

Covid-19

On 8 March 2021, England began a phased exit from lockdown, following a four-step plan which resulted in all lockdown laws being revoked by 18 July 2021, although some other general restrictions, such as self-isolation and international quarantine, remained in place until the spring of 2022.

In order to (i) protect those who use health and care services, a large number of whom are vulnerable, as well as healthcare workers and the wider community, and (ii) to help reduce Covid-19 related sickness absences, the UK Government introduced Vaccination as a Condition of Deployment regulations for care homes on 11 November 2021. These regulations required all care home workers and other visiting professionals to be fully vaccinated against Covid-19, unless they fell within an exemption. The Government also planned to extend the regulations to the wider health and social care sector from 1 April 2022 but subsequently withdrew those regulations. Whilst well intentioned, the introduction of the Vaccination as a Condition of Deployment regulations resulted in an estimated 40,000 workers, who did not wish to be vaccinated, permanently leaving the sector in the final quarter of 2021.

Recruitment

Given the buoyant job market and the increasingly tight labour market as the economy has reopened following the lifting of lockdown restrictions, many sectors such as care, retail and hospitality are finding it increasingly difficult to recruit and retain key workers.

Prestige Nursing continues to invest in pay and benefits, and we have recently introduced a discount card for all of our employees to help them mitigate the increased cost of living through discounts with local businesses and large national retailers.

Client Needs

We continue to work closely with our clients to ensure we deliver the very best care, but we have not been able to take on new clients at the rate same we did before the pandemic given the tighter labour market, particularly in the live-in care sector. We are actively working to address this issue.

Our Team

It has been an incredibly challenging time for our team since the first lockdown came into force on 23 March 2020, and the Directors would like to record their thanks for the dedication of our professional carers and support teams have shown to the company and our clients throughout this difficult period, as well as the empathy and support they have shown each other. Thank you.

KPIs

Revenue fell by £1,526,955 driven by lower volumes offset by improved pricing, consequently gross profit increased by £264,347 to 24.6% of revenue. We continued to carefully control administrative expenses which fell by £812,833 in the year, reducing the operating loss by £1,077,180 to an operating profit of £910 (2021: £1,076,270 loss).

	2021-22	2020-21	Change
Revenue	£35,215,652	£36,742,607	-4.2%
Gross Profit	£8,660,181	£8,395,834	+3.1%
Administrative exp	£8,659,271	£9,472,104	-8.6%
Operating Profit/(Loss)	£910	£(1,076,270)	-100.1%

PRESTIGE NURSING LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Future Developments & Risk Management

Health, Safety and Wellbeing

We will continue to put the health, safety and wellbeing of our clients and professional carers first in everything we do.

Pricing

We continue to work closely with our funders and clients to ensure we deliver the very best care at a competitive price which reflects the investment we continue to make in our workforce and the inflationary environment in which the company is operating.

Pay

We will continue to invest in pay and benefits to ensure that our professional carers and support teams are fairly rewarded for the outstanding job that they do, and will continue to scale up our recruitment activity in order to return the business to growth.

Directors' statement of compliance with duty to promote the success of the Company

We describe in this section of the report how the directors have had regard to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006. In particular, the section outlines how the directors have acted in a way which is most likely to promote the success of the Company for the benefit of the members as a whole and in doing so having regard for stakeholders' interests.

The Company is part of the Sodexo SA group of companies and falls under the stewardship of the Sodexo's UK Regional Leadership Committee (RLC). The board of directors of the Company also includes members of the UK RLC.

The following paragraphs summarise how the Directors' fulfil their duties and engage with each of the key stakeholder groups.

We take the opportunity here to explain how both:

- The directors have regard to section 172(1) of the Companies Act 2006 in respect of the interests of the Company's employees; and
- The directors have engaged with employees and the effect of this engagement on principal decisions of the Company.

Employees

The Board recognises that, as a leading provider of care services, its professional carers and support teams are key to the Company's strength and success. The Board and the RLC is committed to ensuring:

- Health & Safety
- Ongoing support to all employees
- High levels of employee engagement, wellbeing and communications
- A diverse and inclusive workforce and culture.

Health & Safety

The Company is committed to ensuring a safe and healthy working environment for all its employees, contractors and visitors. Through suitable and sufficient risk assessment and the creation of resulting safe systems of work, Sodexo provides employees with information, training and instruction to enable them to work safely and to protect the safety and health of those who may be affected by its activities. Compliance with legislative requirements underpins its purpose. The Company tests and challenges itself to continually improve and to engage with its people to ensure everyone has a voice and is properly informed.

PRESTIGE NURSING LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The Company believes that health and safety is everyone's responsibility and through strong leadership, supervision and holding each other to account, health and safety can become a way of life that adds value and drives improved performance. Management and monitoring of performance is achieved through robust reporting, strong audit and monitoring regimes

Employee support during Covid-19

Measures were put in place during the Covid-19 pandemic to look after employees and where appropriate give them the opportunity to work from home. The Coronavirus Job Retention Scheme (CJRS) ended on 30 September 2021. We did not utilise the scheme during the year, although we were able to utilise the scheme in the previous financial year to protect the jobs of colleagues who could not safely continue in their front-line roles, and could not be redeployed to other parts of the organisation, during the height of the pandemic.

Employee engagement

We measure the effectiveness Employee Value Proposition (EVP) by conducting annual employee engagement surveys and ad hoc surveys to address specific areas of concern. The data are thematically and statistically analysed to distil an action plan to address the points raised through the survey.

We monitor attrition rates, feedback from exit interviews, and absenteeism levels in an effort to identify emerging people risks, trends, and to ensure appropriate action is taken to address these. Emerging people risks and trends are highlighted to the Board together with proposed action plans.

The Company continues to provide ongoing support to all employees and provides a confidential route ('Speak-Up') for staff to raise concerns

The Company is proud of all of its teams and their dedication and agility as our client and business needs continue to evolve.

Diversity, Equity & Inclusion

Inclusivity is a key commitment to ensure colleagues 'can bring their authentic selves to work' so they feel a sense of belonging that allows them to act with purpose and thrive.

Our DE&I strategy focuses on five dimensions Gender, Culture & Origins, Disability, Sexual Orientation & Gender Identity, and Generations. Each of these focus areas has an executive sponsor who is a member of the RLC. They play a key role at championing the agenda, driving progress and embedding accountability at a senior level.

Clients

We recognise that client retention is the first step to growth. We provide the best possible care to our clients and carefully monitor and act on their feedback.

Suppliers

Sodexo manages their end-to-end supply chain to meet legislative requirements, mitigate risks and satisfy customer demands for supply chain transparency. All suppliers of goods and services to Sodexo are prequalified to ensure they are capable and competent to deliver the goods or carry out the work they are being contracted to supply. Vendors are assessed against Sodexo's Supplier Code of Conduct. The level of initial assessment and ongoing monitoring relates directly to the services/products provided or to be performed and the associated risk.

The Company is committed to ensuring that slavery and human trafficking is not taking place in any of its supply chains or any part of its business and has in place measures to manage this risk.

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PRESTIGE NURSING LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Community

Sodexo's approach to creating Social Value and measuring its impact within local communities forms an integral part of the Company's regional strategy. The Company is undergoing a comprehensive programme to fully embed and coordinate its impact on local communities and the environment. This is led by our RLC.

Our focus is based around four social value impact pathways:

- *Our People – by enabling our employees, customers and community citizens to thrive*
- *Our Planet – by fostering a culture of environmental responsibility through protecting and enhancing our planet*
- *Our Places – by adopting a needs-led approach to creating equity for all across our communities*
- *Our Partners – by taking an inclusive approach to creating resilience and growth amongst our partner network.*

Each year we publish our progress against our social impact commitments. This can be found at Social Impact Pledge <https://uk.sodexo.com/socialimpact/people.html>

Sodexo is the founding partner of the Stop Hunger Foundation; an independent registered charity active in over 54 countries around the world and was created in 1996 by US Sodexo colleagues who witnessed children going to school hungry.

Further information on the Company's work in this area, and the impact in local communities, is set out at <https://uk.stop hunger.org/home>

Shareholder

The Board of the Company duly considers the views of its ultimate shareholder, Sodexo SA, and the interests of the Group as a whole as part of any major decisions and transactions undertaken by the Company. The Chair, the Board and the RLC members provide the channel of communication between the Company and its shareholder.

Longterm decision making

The directors continue to review the Company's organisational structure, cost base, service offers, investments and other business plans to ensure all are optimal as our environment evolves.

Standards of business conduct

Sodexo's Code of Ethics applies to all Directors and employees of the Company, and it embodies the Group's commitment to maintaining the highest standards of ethical business conduct and integrity. This is underpinned through regular training and an embedded ethical culture. The Company has implemented a Whistleblower facility whereby staff can raise issues that could be misconduct. Regular mandatory training for staff on the principles of Responsible Business Conduct is in place and completion rates are monitored.

The Ethics & Compliance Committee receives, considers, and manages concerns raised under the Code of Ethics, Anti Bribery Policy, Gifts & Hospitality Policy and Whistleblower Policy (including any allegations of bribery and corruption), conducts investigations, takes appropriate action, monitors and reviews incidents and training, measures trends and reports appropriately to the Board. The Committee maintains an incident log.

Sodexo shares the same ethical principles as those set out in the Modern Slavery Act, 2015. We believe in the elimination of all forms of compulsory labour and work to ensure slavery and human trafficking do not take place within any part of our business supply chain.

Further details are set out in the Company's Modern Slavery Act Statement:

<https://uk.sodexo.com/files/live/sites/com-uk/files/Legal%20and%20Privacy/modern-slavery-report.pdf>

PRESTIGE NURSING LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

On behalf of the board

Mrs J M Renton
Director

30 May 2023

PRESTIGE NURSING LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

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

Results and dividends

The results for the year are set out on page 13. The company's profit after tax for the year was £87,375 (2021: £66,480) and net assets as at 31 August 2022 were £3,954,607 (2021: £3,797,232).

No ordinary dividends were paid (2021: £nil). The directors do not recommend payment of a final dividend.

No preference dividends were paid (2021: £nil). The directors do not recommend payment of a final 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 S Mistry
Mr D J B Sandoz
Mrs J M Renton
Mrs V Sapojnic

Supplier payment policy

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the company at the year end were equivalent to 8 day's purchases, based on the average daily amount invoiced by suppliers during the year.

Political donations

Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the year.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The company's policy is to consult and discuss with employees any matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

PRESTIGE NURSING LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Energy and Carbon Report

Greenhouse gas emissions, energy consumption and energy efficiency action

In compliance with "The Companies Act 2006" (Strategic Report and Directors' Report) and in particular Part 7A to Schedule 7 "Dealing with energy and carbon disclosures by large unquoted companies", please find the disclosure of energy and CO2 information for Prestige Nursing Limited covering the 2021-22 financial year.

The information includes the reporting of greenhouse gas emissions (scope 1 and 2), energy consumption data for fuels, electricity and transport, and associated energy intensity ratio. The declaration identifies some of the energy saving measures implemented during the financial year.

GHG Emissions

For financial year ending August 2022, Prestige Nursing Limited's energy consumption and greenhouse gas emissions were calculated to be:

Natural gas 103,546 kWh

Electricity (renewable backed) 87,748 kWh

Electricity (non-renewable backed) 119,948 kWh

Transport (Company Vehicles and Support Team) 228,224 kWh

Total carbon emissions (market-based) 63.30 tonnes CO2e

Total carbon emissions (location-based) 103.47 tonnes CO2e

GHG Emissions (previous financial year, restated to include serviced offices)

For financial year ending August 2021, Prestige Nursing Limited's energy consumption and greenhouse gas emissions were calculated to be:

Natural gas 99,493 kWh

Electricity 170,219 kWh

Transport (Company Vehicles and Support Team) 247,474 kWh

Total carbon emissions 111.24 tonnes CO2e

Underlying Global Energy Use

All of Prestige Nursing Limited's energy use comes from operations within the UK, and therefore, global energy use is the same as stated in GHG Emissions (as shown above).

Energy Intensity Ratio

Total building energy (natural gas, electricity, other fuels) has been assessed to correlate with building floor area (square metres). Using energy consumed per square metre as an energy performance indicator (EnPI) allows for a more accurate monitoring of energy consumption each year as the estate portfolio changes.

For financial year ending August 2022:

Total building energy 310,966 kWh

Gross floor area 2,966 m2

EnPI total building energy per square metre 104.9 kWh/m2

Energy Efficiency Measures

Over the current financial year, the company has continued to transfer its fleet to hybrid cars to reduce fuel consumption and carbon emissions. All company offices are supplied with 100% renewable-backed electricity (in serviced offices this is not always the case as the supplier is selected by the landlord) and further investments in energy efficiency and carbon emission reductions are planned.

Methodology

To calculate the disclosure, similar methodology to ESOS, CRC, and ISO 50001 compliance has been used where applicable for consistency in reporting. Building operation energy use has been captured, in order of preference, using invoiced consumption figures where available; meter readings supplied by facilities management teams; or pro-rata estimations. Transport data has been extracted from internal employee expense returns, and fuel card database. Carbon emissions conversion factors have been taken from 'UK Government GHG Conversion Factors for Company Reporting 2022'. Energy intensity relevant variable building floor area has been provided by Sodexo Estates team.

PRESTIGE NURSING LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Statement of disclosure to auditor

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

Going concern

The directors continue to adopt the going concern basis in the preparation of the financial statements.

The business has remained resilient through the UK wide Covid-19 lockdowns which ended on 18 July 2021 due to the essential nature of the service it provides and the high proportion of local government and health service clients. We continue to see opportunities for organic growth provided that we can continue to attract, recruit and retain professional carer in an increasingly tight labour market.

As inflationary pressures increase, we continue to work with our clients to ensure we receive a fair price for the services that we provide, so that we can continue to invest in our workforce. Agility, good commercial management, and careful cost control continue to be critical to our ongoing success.

To inform the basis of preparation of these accounts, the directors have considered cash and profit scenarios for forward trade over the next 12 months.

Routine peaks in cash requirements during the trading cycle, can be funded from the significant cash balance the company has on hand at the end of the 2022 financial year.

As at the date of approval of the financial statements, the shareholders of Prestige Nursing Ltd are exploring various strategic options with regard to their shareholding, including the sale of their shares. Although the outcome of the process is currently uncertain, the directors have considered the consequences if a sale was to occur in the forecast period. It is not possible to predict what would happen to the entity if there was a sale, however, the directors have no reason to believe that the company would not continue to trade given that it holds multiple registrations with the Care Quality Commission in respect of a network of regulated branches throughout England, and that it would be difficult to reregister these branches and novate the client contracts within the going concern period. The inter-company loans from Sodexo Finance DAC which are shown in the financial statements would be repayable on the sale of the shares and it is expected that any new share holder would provide the necessary refinancing. The plausible downside scenarios show that there is no need for additional funding over and above this amount.

Based on these analyses and facts, the directors believe that the Company will be able to continue to meet its liabilities as they fall due for at least the next 12 months and therefore have prepared the financial statements on a going concern basis. On behalf of the board

Mrs J M Renton

Director

30 May 2023

PRESTIGE NURSING LTD

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

The directors are responsible for preparing the Strategic Report, Directors' 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

PRESTIGE NURSING LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF PRESTIGE NURSING LTD

Opinion

We have audited the financial statements of Prestige Nursing Ltd (the 'company') for the year ended 31 August 2022 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2022 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit committee, internal audit and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

PRESTIGE NURSING LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF PRESTIGE NURSING LTD

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular:

- the risk that Company management may be in a position to make inappropriate accounting entries; and
- the risk of bias in accounting estimates; and
- the risk that revenue is overstated through recording revenues in the wrong period.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

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

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-bribery and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006

PRESTIGE NURSING LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF PRESTIGE NURSING LTD

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit;

We have nothing to report in these respects.

Responsibilities of directors

As explained more fully in their statement set out on page 9, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

Andrew Reddington (Senior Statutory Auditor)

For and on behalf of KPMG LLP

30 May 2023

Chartered Accountants

Statutory Auditor

1 St. Peter's Square
Manchester
M2 3AE

PRESTIGE NURSING LTD

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	2021 £
Revenue	3	35,215,652	36,742,607
Cost of sales		(26,555,471)	(28,346,773)
Gross profit		8,660,181	8,395,834
Administrative expenses		(8,659,271)	(9,472,104)
Operating profit/(loss)	4	910	(1,076,270)
Investment income	6	14,134	1,120,686
Finance costs	7	(187,732)	(162,601)
Other gains and losses	8	-	(37,179)
Loss before taxation		(172,688)	(155,364)
Tax on loss	9	260,063	221,844
Profit and total comprehensive income for the financial year	25	87,375	66,480

All amounts above relate to continuing operations. 2021 administrative expenses have been increased and 2021 investment income has been reduced by £12,390 to more accurately allocate costs between these two headings. The notes on pages 16 to 31 form part of these financial statements.

PRESTIGE NURSING LTD

STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Non-current assets					
Intangible assets - goodwill	10	3,406,452		3,406,452	
Property, plant and equipment	11	1,863,556		2,484,721	
Investments	13	1,214,518		1,214,518	
		<u>6,484,526</u>		<u>7,105,691</u>	
Current assets					
Trade and other receivables	14	4,936,778		5,375,030	
Cash and cash equivalents		9,102,315		10,141,684	
		<u>14,039,093</u>		<u>15,516,714</u>	
Current liabilities	15	<u>(4,934,354)</u>		<u>(17,244,162)</u>	
Net current assets/(liabilities)		<u>9,104,739</u>		<u>(1,727,448)</u>	
Total assets less current liabilities		<u>15,589,265</u>		<u>5,378,243</u>	
Non-current liabilities	15	(11,634,658)		(1,576,870)	
Provisions for liabilities					
Deferred tax liabilities	19	-		(4,141)	
Net assets		<u>3,954,607</u>		<u>3,797,232</u>	
Equity					
Called up share capital	23	10,365		10,365	
Share premium account	24	29,499		29,499	
Retained earnings	25	3,914,743		3,757,368	
Total equity		<u>3,954,607</u>		<u>3,797,232</u>	

The financial statements were approved by the board of directors and authorised for issue on 30 May 2023 and are signed on its behalf by:

Mrs J M Renton
Director

Company registration number 01006953

PRESTIGE NURSING LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Share capital £	Share premium account £	Retained earnings £	Total £
Balance at 1 September 2020		10,365	29,499	3,657,582	3,697,446
Year ended 31 August 2021:					
Profit and total comprehensive income for the year		-	-	66,480	66,480
Credit to equity for equity settled share-based payments	22	-	-	33,306	33,306
Balance at 31 August 2021		10,365	29,499	3,757,368	3,797,232
Year ended 31 August 2022:					
Profit and total comprehensive income for the year		-	-	87,375	87,375
Credit to equity for equity settled share-based payments	22	-	-	70,000	70,000
Balance at 31 August 2022		10,365	29,499	3,914,743	3,954,607

PRESTIGE NURSING LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Company information

Prestige Nursing Ltd is a private company limited by shares incorporated and domiciled in England and Wales. The registered number is 01006953 and the registered office is 1st Floor, Kirkgate, 19-31 Church Street, Epsom, Surrey, KT17 4PF. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

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 and have been applied consistently to all periods presented in the financial statements, unless otherwise stated.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64 (o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations. Equivalent disclosures are included in the consolidated financial statements of Sodexo S.A in which the entity is consolidated;
- the requirements of paragraph 33 (c) of IFRS 5 Non current Assets Held for Sale and Discontinued Operations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1, (ii) paragraph 73(e) of IAS 16 Property Plant and Equipment (iii) paragraph 118 (e) of IAS 38 Intangibles Assets, (iv) paragraphs 76 and 79(d) of IAS 40 Investment Property and (v) paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 39 to 40 ,111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member ; and
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to share based payments, financial instruments, capital management, presentation of a cash flow statement, presentation of comparative information in respect of certain assets, standards not yet effective, impairment of assets, business combinations, discontinued operations and related party transactions.

The Company's ultimate parent undertaking, Sodexo S.A. includes the Company in its consolidated financial statements. The consolidated financial statements of Sodexo S.A. are prepared in accordance with International Financial Reporting Standards and are available to the public and are published on the company's website at www.sodexo.com.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 2.

PRESTIGE NURSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.2 Going concern

The directors continue to adopt the going concern basis in the preparation of the financial statements.

The business has remained resilient through the UK wide Covid-19 lockdowns which ended on 18 July 2021 due to the essential nature of the service it provides and the high proportion of local government and health service clients. We continue to see opportunities for organic growth provided that we can continue to attract, recruit and retain professional carer in an increasingly tight labour market.

As inflationary pressures increase, we continue to work with our clients to ensure we receive a fair price for the services that we provide, so that we can continue to invest in our workforce. Agility, good commercial management, and careful cost control continue to be critical to our ongoing success.

To inform the basis of preparation of these accounts, the directors have considered cash and profit scenarios for forward trade over the next 12 months.

Routine peaks in cash requirements during the trading cycle, can be funded from the significant cash balance the company has on hand at the end of the 2022 financial year.

As at the date of approval of the financial statements, the shareholders of Prestige Nursing Ltd are exploring various strategic options with regard to their shareholding, including the sale of their shares. Although the outcome of the process is currently uncertain, the directors have considered the consequences if a sale was to occur in the forecast period. It is not possible to predict what would happen to the entity if there was a sale, however, the directors have no reason to believe that the company would not continue to trade given that it holds multiple registrations with the Care Quality Commission in respect of a network of regulated branches throughout England, and that it would be difficult to reregister these branches and novate the client contracts within the going concern period. The inter-company loans from Sodexo Finance DAC which are shown in the financial statements would be repayable on the sale of the shares and it is expected that any new share holder would provide the necessary refinancing. The plausible downside scenarios show that there is no need for additional funding over and above this amount.

Based on these analyses and facts, the directors believe that the Company will be able to continue to meet its liabilities as they fall due for at least the next 12 months and therefore have prepared the financial statements on a going concern basis.

1.3 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for the provision of domiciliary and complex care, and is shown net of VAT and other sales related taxes.

Revenue from contracts for the provision of care services are recognised when the service has been provided and is based on time spent by staff during the period.

PRESTIGE NURSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.4 Goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is reviewed for impairment at each reporting date.

The gain on a bargain purchase is recognised in profit or loss in the period of the acquisition.

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

1.5 Property, plant and equipment

Property, plant and equipment 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:

Leasehold property	Over the lease period on a straight line basis
Leasehold improvements	Over the lease period on a straight line basis
Furniture & equipment	Over 3 years on a straight line basis
Office equipment	Over 5 years on a straight line basis
Motor vehicles	Over 4 years on a straight line basis

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

1.6 Non-current investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

1.7 Impairment of tangible and intangible assets

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

PRESTIGE NURSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 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.

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.

1.8 Cash and cash equivalents

Cash and cash equivalents 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.

1.9 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets held at amortised cost

Trade Receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets carried at amortised cost and fair value through other comprehensive income 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 of the investment have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

PRESTIGE NURSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.10 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.11 Equity instruments

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

1.12 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 income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary 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 income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

PRESTIGE NURSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.13 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 inventories or non-current 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.

1.14 Retirement benefits

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

1.15 Leases

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the company is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the company's estimate of the amount expected to be payable under a residual value guarantee; or the company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

The discount rate varies between 2.87% and 3.14% depending on the term of the lease. The weighted-average rate applied was 1.4%.

PRESTIGE NURSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.16 Grants

Government grants are recognised when there is reasonable assurance that the grant conditions will be met and the grants will be received.

1.17 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 Critical accounting estimates and judgements

The preparation of financial statements requires the management to make estimates and judgements which affect the amounts reported for assets, liabilities and contingent liabilities as of the date of preparation of the financial statements, and for revenues and expenses for the period.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The estimates and judgements that have the most material impact on the financial performance and position of the Company are as follows:

(i) Provisions for bad debts

Provision is made for aged debts. These provisions require management's best estimate of the likelihood of recovery of each debt.

3 Revenue

	2022 £	2021 £
Revenue analysed by class of business		
Care services	35,215,652	36,742,607
	<u>35,215,652</u>	<u>36,742,607</u>
	2022 £	2021 £
Revenue analysed by geographical market		
UK Market	35,215,652	36,742,607
	<u>35,215,652</u>	<u>36,742,607</u>

4 Operating profit/(loss)

	2022 £	2021 £
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(20,385)	12,390
Fees payable to the company's auditor for the audit of the company's financial statements	39,793	63,122
Depreciation of property, plant and equipment	554,961	675,108
Loss on disposal of property, plant and equipment	1,896	25,786
	<u>575,265</u>	<u>776,406</u>

PRESTIGE NURSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

5 Employees

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

	2022 Number	2021 Number
Nurses and carers	1,171	1,358
Office staff	206	202
	<u>1,377</u>	<u>1,560</u>

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	28,591,871	29,482,478
Social security costs	2,516,743	2,362,832
Pension costs	483,348	459,670
	<u>31,591,962</u>	<u>32,304,980</u>

Directors received no remuneration from Prestige Nursing Ltd during the year. Directors receive remuneration from another of the Sodexo group companies.

6 Investment income

	2022 £	2021 £
Interest income		
Interest on bank deposits	14,134	-
Income from fixed asset investments		
Dividends received	-	1,120,686
Total income	<u>14,134</u>	<u>1,120,686</u>

Dividends received from subsidiaries consists of £nil (2021: £435,000) from Prestige Nursing (Franchise) Ltd and £nil (2021: £685,686) from Prestige Nursing (Scotland) Ltd.

7 Finance costs

	2022 £	2021 £
Interest on financial liabilities measured at amortised cost:		
Interest on lease liabilities	6,762	35,266
Interest on other loans	180,970	127,335
	<u>187,732</u>	<u>162,601</u>

PRESTIGE NURSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

8 Other gains and losses

	2022 £	2021 £
Permanent diminution in value of subsidiary investment	-	37,179

9 Income tax expense

	2022 £	2021 £
Current tax		
UK corporation tax on profits for the current period	(23,007)	(221,844)
Adjustments in respect of prior periods	(14,483)	-
Total UK current tax	(37,490)	(221,844)
Deferred tax		
Origination and reversal of temporary differences	(6,676)	-
Changes in tax rates	(39,560)	-
Adjustment in respect of prior periods	(176,337)	-
	(222,573)	-
Total tax (credit)	(260,063)	(221,844)

The charge for the year can be reconciled to the loss per the income statement as follows:

	2022 £	2021 £
Loss before taxation	(172,688)	(155,364)
Expected tax credit based on a corporation tax rate of 19.00% (2021: 19.00%)	(32,811)	(29,519)
Effect of expenses not deductible in determining taxable profit	3,128	20,605
Adjustment in respect of prior years	(190,820)	-
Impact of rate change	(39,560)	-
UK dividend income	-	(212,930)
Taxation credit for the year	(260,063)	(221,844)

On 1 April 2017, the standard rate of corporation tax changed to 19%. For the purpose of the company accounts to 31 August 2022, the standard rate of corporation tax has been applied.

The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. In the 3 March 2021 Budget it was announced that the UK tax rate will increase to 25% from 1 April 2023 for companies with profits over £250,000. This will have a consequential effect on the company's future tax charge.

PRESTIGE NURSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

10 Intangible fixed assets

	Goodwill £
Cost	
At 31 August 2021	5,309,300
At 31 August 2022	5,309,300
Amortisation and impairment	
At 31 August 2021	1,902,848
At 31 August 2022	1,902,848
Carrying amount	
At 31 August 2022	3,406,452
At 31 August 2021	3,406,452

11 Property, plant and equipment

	Leasehold property £	Leasehold improvements £	Furniture & equipment £	Office equipment £	Motor vehicles £	Total £
Cost						
At 31 August 2021	2,703,547	646,416	215,449	1,049,520	87,736	4,702,668
Additions	-	26,094	7,568	103,473	67,002	204,137
Disposals	(348,471)	-	-	(20,522)	(44,321)	(413,314)
At 31 August 2022	2,355,076	672,510	223,017	1,132,471	110,417	4,493,491
Accumulated depreciation and impairment						
At 31 August 2021	830,045	342,719	168,081	843,415	33,687	2,217,947
Charge for the year	295,580	44,183	16,697	149,945	48,556	554,961
Eliminated on disposal	(91,099)	-	-	(14,252)	(37,622)	(142,973)
At 31 August 2022	1,034,526	386,902	184,778	979,108	44,621	2,629,935
Carrying amount						
At 31 August 2022	1,320,550	285,608	38,239	153,363	65,796	1,863,556
At 31 August 2021	1,873,502	303,697	47,368	206,105	54,049	2,484,721

PRESTIGE NURSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

11 Property, plant and equipment

(Continued)

Property, plant and equipment includes right-of-use assets, as follows:

Right-of-use assets	2022 £	2021 £
Net values		
Property	1,320,550	1,873,502
Motor vehicles	65,796	54,049
	<u>1,386,346</u>	<u>1,927,551</u>
Depreciation charge for the year		
Property	295,580	420,572
Motor vehicles	48,556	35,007
	<u>344,136</u>	<u>455,579</u>

12 Subsidiaries

These financial statements are separate company financial statements for Prestige Nursing Ltd.

Details of the company's subsidiaries at 31 August 2022 are as follows. All shares held are ordinary shares.

Name of undertaking	Address	Class of shares held	% Held Direct
Prestige Nursing (Scotland) Ltd	1	Ordinary	100.00
Prestige Nursing (Franchise) Ltd	2	Ordinary	100.00
Lifecarers Limited	3	Ordinary	100.00

Registered office addresses (all UK unless otherwise indicated):

- 1 Rolland House, Unit 10 Newbridge Industrial Estate, Cliftonhall Road, Newbridge, EH28 8PJ
- 2 The Kirkgate, 19-31 Church Street, Epsom, Surrey, England, KT17 4PF
- 3 The Kirkgate, 19-31 Church Street, Epsom, Surrey, England, KT17 4PF

13 Investments

	Current 2022 £	2021 £	Non-current 2022 £	2021 £
Investments in subsidiaries	<u>-</u>	<u>-</u>	<u>1,214,518</u>	<u>1,214,518</u>

The company has not designated any financial assets that are not classified as held for trading as financial assets at fair value through profit or loss.

PRESTIGE NURSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

13 Investments

(Continued)

Fair value of financial assets carried at amortised cost

Except as detailed below the directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

Movements in non-current investments

	Shares in group undertakings £
Cost or valuation	
At 1 September 2021 & 31 August 2022	1,249,721
Impairment	
At 1 September 2021 & 31 August 2022	(35,203)
Carrying amount	
At 31 August 2022	1,214,518
At 31 August 2021	1,214,518

14 Trade and other receivables

	2022 £	2021 £
Trade receivables	3,121,521	3,240,087
Corporation tax recoverable	31,872	142,406
Amounts owed by subsidiary undertakings	1,037,215	1,180,878
Amounts owed by fellow group undertakings	3,699	24,080
Other receivables	137,808	363,494
Prepayments and accrued income	386,231	424,085
	4,718,346	5,375,030
Deferred tax asset	218,432	-
	4,936,778	5,375,030

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

PRESTIGE NURSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

15 Liabilities

		Current		Non-current	
	Notes	2022	2021	2022	2021
		£	£	£	£
Borrowings	16	886,321	12,091,726	10,400,000	-
Trade and other payables	17	3,212,649	4,055,543	-	-
Taxation and social security		657,498	696,269	-	-
Lease liabilities	18	177,886	379,662	1,234,658	1,576,870
Deferred income	20	-	20,962	-	-
		<u>4,934,354</u>	<u>17,244,162</u>	<u>11,634,658</u>	<u>1,576,870</u>

16 Borrowings

	Current		Non-current	
	2022	2021	2022	2021
	£	£	£	£
Borrowings held at amortised cost:				
Loans from other group undertaking	886,321	12,091,726	10,400,000	-
	<u>886,321</u>	<u>12,091,726</u>	<u>10,400,000</u>	<u>-</u>

Two loans were existence at the 31 August 2022, both were from Sodexo Finance DAC. Loan 1 is for £4m repayable in five equal instalments at an interest rate of 1.37% per annum from March 2022 to March 2026. Loan 2 is for £8m repayable at the end of five years (i.e. March 2026) at an interest rate of 1.64%. Interest is payable annually.

17 Trade and other payables

	2022	2021
	£	£
Trade payables	641,012	543,488
Amounts owed to subsidiary undertakings	95,955	95,955
Accruals and deferred income	1,372,355	1,911,654
Other payables	1,103,327	1,504,446
	<u>3,212,649</u>	<u>4,055,543</u>

PRESTIGE NURSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Lease liabilities

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2022 £	2021 £
Current liabilities	177,886	379,662
Non-current liabilities	1,234,658	1,576,870
	<u>1,412,544</u>	<u>1,956,532</u>

	2022 £	2021 £
Amounts recognised in profit or loss include the following:		
Interest on lease liabilities	<u>6,762</u>	<u>35,266</u>

The fair value of the company's lease obligations is approximately equal to their carrying amount.

See note 11 for further details of depreciation on right of use assets recognised in the profit or loss.

19 Deferred taxation

	2022 £	2021 £
Deferred tax liabilities	-	4,141
Deferred tax assets	<u>(218,432)</u>	<u>-</u>
	<u>(218,432)</u>	<u>4,141</u>

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	Accelerated capital allowances £	Short term timing differences £	Total £
Deferred tax liability at 1 September 2021	4,141	-	4,141
Deferred tax movements in current year			
Charge/(credit) to profit or loss	(56,906)	(126,107)	(183,013)
Effect of change in tax rate - profit or loss	263	(39,823)	(39,560)
Deferred tax asset at 31 August 2022	<u>(52,502)</u>	<u>(165,930)</u>	<u>(218,432)</u>

PRESTIGE NURSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Deferred taxation (Continued)

Deferred tax assets and liabilities are offset in the financial statements only where the company has a legally enforceable right to do so.

20 Deferred revenue

	2022 £	2021 £
Arising from government grants	-	20,962

21 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	63,337	75,666

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

22 Share-based payment transactions

The Company provides long term incentives, such as shares in Sodexo SA to help retain talent and recognise future leaders.

On a periodic basis Sodexo SA invites senior managers to participate in its performance share scheme. Under the FY22 plan, shares vest over a three year period, provided the performance criteria is met and the beneficiary continued to be employed by the Sodexo Group at the vesting date.

The Company has also taken the exemptions available under FRS 101 in relation to group settled share based payments as the consolidated financial statements of Sodexo SA include the relevant disclosures.

23 Share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	10,365	10,365	10,365	10,365

24 Share premium account

	2022 £	2021 £
At beginning and end of year	29,499	29,499

PRESTIGE NURSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

25 Retained earnings

	2022	2021
	£	£
At the beginning of the year	3,757,368	3,657,582
Profit for the year	87,375	66,480
Share based payment transactions	70,000	33,306
	<hr/>	<hr/>
At the end of the year	3,914,743	3,757,368
	<hr/>	<hr/>

26 Capital commitments

There were no capital commitments in place as at 31 August 2022 (2021: £nil).

27 Controlling party

The parent company of Prestige Nursing Ltd is Sodexo Holdings Ltd, registered in England and Wales.

The ultimate controlling party is Sodexo SA and its registered office is 255 quai de la Bataille de Stalingrad, 92130 Issy les Mounlineaux, France.

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.