

Registration number: 03010116

Speciality Care (Rest Homes) Limited

Annual Report and Unaudited Financial Statements

for the Period from 1 July 2022 to 31 August 2022

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Speciality Care (Rest Homes) Limited

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Speciality Care (Rest Homes) Limited

Company Information

Directors	Ryan D Jervis Trevor M Torrington
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Registered office	The Forge Church Street West Woking Surrey GU21 6HT
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Speciality Care (Rest Homes) Limited

Strategic Report for the Period from 1 July 2022 to 31 August 2022

The Directors present their report for the period from 1 July 2022 to 31 August 2022.

Fair review of the business

The Company is part of a Group that delivered high-quality specialist services to meet the needs of a wide spectrum of young people, families, Local Authorities, and communities during the period.

The Company is focussed on the specialist education and care sector and the performance of the Company can be impacted by external factors. The principal factors are changes in the UK government's policy towards outsourcing of specialist education and care, changes in the regulatory regime and competitive threats from other independent providers. Management uses a range of financial and non-financial indicators to manage the business. These are derived from all areas of the business and include sales growth by unit, occupancy and operating profit margins achieved.

Given the nature of the business, the Company's Directors are of the opinion that analysis using key performance indicators is not necessary for understanding of the development, performance, or position of the business. The development, performance, and position of Aspris Holdco Limited, an intermediate parent of the company, is discussed in the Group's financial statements which includes the Company and does not form part of this report.

The results for the period are set out in the Profit and Loss Account on page 6 and the position of the Company as at the period end is set out in the Balance Sheet on page 8.

The Company's management is satisfied with the performance for the period and is committed to the continued growth strategy of the Group.

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of Aspris Holdco Limited, which include those of the Company, are discussed in the Group's financial statements which do not form part of this report.

Section 172(1) statement

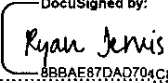
The following Section 172 statement, which is required by the Companies Act 2006, describes how the Directors have had regard to the matters set out in s172 (1a to 1f) including key decisions and matters that are of strategic importance to the Company. The Directors, in line with their duties under s172 of the Companies Act 2006, act in a way they consider, in good faith would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to a range of matters when making decisions for the long term.

From the perspective of the Company, decisions and policies relating to s172 are determined at Group level and applied to the Company, where relevant, by the Directors. Accordingly, further details in relation to how the Directors have engaged with suppliers, customers, employees and other stakeholders are included in the financial statements of Aspris Holdco Limited, an intermediate parent of the company, which includes the Company and does not form part of this report.

Speciality Care (Rest Homes) Limited

Strategic Report for the Period from 1 July 2022 to 31 August 2022

Approved by the board on 24 May 2023 and signed on its behalf by:

DocuSigned by:

.....8BBAE87DAD794C8.....
Ryan D Jervis
Director

Speciality Care (Rest Homes) Limited

Directors' Report for the Period from 1 July 2022 to 31 August 2022

The Directors present their report and the unaudited financial statements for the period from 1 July 2022 to 31 August 2022.

This report should be read in conjunction with the Strategic Report on page 2.

The Company has chosen in accordance with section 414C(ii) of the companies Act 2006 to set out in the Strategic Report the following which the Directors' believe to be of strategic importance:

- Business review.
- Principal risks and uncertainties; and
- Statements in relation to how Director' have engaged with employees, suppliers, customers and others in a business relationship with the Company.

Principal activity

The principal activity of the Company is care delivery.

Directors' of the Company

The Directors, who held office during the period, were as follows:

Ryan D Jervis

Trevor M Torrington

Dividend

The Directors do not recommend the payment of a final dividend (18 months to 30 June 2022: £nil). No dividends were paid during the period (18 months to 30 June 2022: £nil).

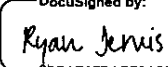
Financial instruments

The Company is exposed to financial risks in the form of credit, interest and liquidity risks which arise in the normal course of business. The Directors monitor the risks in order to limit the adverse effects on the financial performance, however this is integrated with the risks of the Group and not managed separately. Accordingly, the financial risk management policies of Aspris Holdco Limited, which include those of the Company, are discussed in the Group's financial statements which do not form part of this report.

Future developments

The Company will continue its current activities and will support the specialist education and care services provided by other Aspris Holdco Limited Group companies.

Approved by the board on 24 May 2023 and signed on its behalf by:

DocuSigned by:

.....88BAE87DAD704C8..
Ryan D Jervis
Director

Speciality Care (Rest Homes) Limited

Statement of Directors' Responsibilities

The Directors acknowledge their responsibilities 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Speciality Care (Rest Homes) Limited

Profit and Loss Account for the Period from 1 July 2022 to 31 August 2022

		2 months to 31 August 2022 £ 000	18 months to 30 June 2022 £ 000
	Note		
Turnover	4	740	7,196
Cost of sales		<u>(717)</u>	<u>(7,623)</u>
Gross profit/(loss)		23	(427)
Administrative expenses		<u>14</u>	<u>952</u>
Operating profit	5	<u>37</u>	<u>525</u>
Interest payable and similar expenses	6	<u>(2)</u>	<u>(421)</u>
		<u>(2)</u>	<u>(421)</u>
Profit before tax		35	104
Tax on profit	9	<u>(231)</u>	<u>232</u>
(Loss)/profit for the period		<u><u>(196)</u></u>	<u><u>336</u></u>

The above results were derived from continuing operations.

The notes on pages 11 to 23 form an integral part of these financial statements.

Speciality Care (Rest Homes) Limited

Statement of Comprehensive Income for the Period from 1 July 2022 to 31 August 2022

	2 months to 31 August 2022 £ 000	18 months to 30 June 2022 £ 000
(Loss)/profit for the period	<u>(196)</u>	<u>336</u>
Total comprehensive income for the period	<u><u>(196)</u></u>	<u><u>336</u></u>

The notes on pages 11 to 23 form an integral part of these financial statements.

Speciality Care (Rest Homes) Limited**(Registration number: 03010116)
Balance Sheet as at 31 August 2022**

	Note	31 August 2022 £ 000	30 June 2022 £ 000
Fixed assets			
Intangible assets	10	146	146
Tangible assets	11	2,053	2,084
Right of use assets	12	98	88
		<u>2,297</u>	<u>2,318</u>
Current assets			
Trade and other debtors	13	77	158
Cash at bank and in hand	14	11	30
		88	188
Creditors: Amounts falling due within one year	15	<u>(6,000)</u>	<u>(5,909)</u>
Net current liabilities		<u>(5,912)</u>	<u>(5,721)</u>
Total assets less current liabilities		(3,615)	(3,403)
Creditors: Amounts falling due after more than one year	16	(43)	(59)
Provisions for liabilities	9	<u>(136)</u>	<u>(136)</u>
Net liabilities		<u>(3,794)</u>	<u>(3,598)</u>
Capital and reserves			
Called up share capital	18	-	-
Retained earnings		<u>(3,794)</u>	<u>(3,598)</u>
		<u>(3,794)</u>	<u>(3,598)</u>
Shareholders' deficit		<u>(3,794)</u>	<u>(3,598)</u>

For the financial period ending 31 August 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

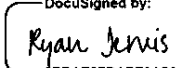
- The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The notes on pages 11 to 23 form an integral part of these financial statements.

Speciality Care (Rest Homes) Limited

(Registration number: 03010116)
Balance Sheet as at 31 August 2022

Approved by the board on 24 May 2023 and signed on its behalf by:

DocuSigned by:

.....8BBAE87DA0704C8.....
Ryan D Jervis
Director

Speciality Care (Rest Homes) Limited

Statement of Changes in Equity for the Period from 1 July 2022 to 31 August 2022

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 July 2022	-	(3,598)	(3,598)
Loss for the period	-	(196)	(196)
Total comprehensive income	-	(196)	(196)
At 31 August 2022	-	(3,794)	(3,794)

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2021	-	(3,934)	(3,934)
Profit for the period	-	336	336
Total comprehensive income	-	336	336
At 30 June 2022	-	(3,598)	(3,598)

Speciality Care (Rest Homes) Limited

Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

1 General information

The company is a private company limited by share capital, incorporated in England and Wales and domiciled in United Kingdom.

The address of its registered office is:

The Forge
Church Street West
Woking
Surrey
GU21 6HT
England

These financial statements were authorised for issue by the board on 24 May 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

The financial statements are presented in sterling, rounded to the nearest thousand.

Summary of disclosure exemptions

In these financial statements, the Company has taken advantage of the disclosure exemptions available under FRS 101 in relation to share-based payment, business combinations, non-current assets held for sale, financial instruments, fair value measurements, capital management, revenue from contracts with customers, presentation of comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investment property, presentation of a cash-flow statement, the effects of new standards not yet effective, impairment of assets and disclosures in respect of the compensation of key management personnel and of transactions entered into between two or more members of a group.

Disclosure of long or short period

The financial statements cover a 2-month reporting period to 31 August 2022, to align the company reporting date with that of the Group. The comparative amounts presented are for an 18-month reporting period and not entirely comparable

Going concern

The financial statements have been prepared on a going concern basis (note 3).

Changes in accounting policy

None of the standards, interpretations and amendments effective for the first time from 1 July 2022 have had a material effect on the financial statements.

Speciality Care (Rest Homes) Limited

Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

Revenue recognition

Recognition

The Company earns revenue from the provision of services relating to care delivery. This revenue is recognised in the accounting period when the services are rendered at an amount that reflects the consideration to which the entity expects to be entitled in exchange for fulfilling its performance obligations to customers.

The principles in IFRS are applied to revenue recognition criteria using the following 5 step model:

1. Identify the contracts with the customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognise revenue when or as the entity satisfies its performance obligations

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets is stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

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

Asset class	Years depreciated over
Freehold buildings	50 years
Leasehold buildings	The lease term
Fixtures, fittings and equipment	3 to 16 years
Motor vehicles	The shorter of the lease term or 4 years

Speciality Care (Rest Homes) Limited

Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

Intangible assets

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is not subject to amortisation but is tested for impairment. Any impairment is recognised immediately in the income statement and is not reversed.

Cash and cash equivalents

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

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as fixed assets.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

Leases

Definition

A lease is a contract, or a part of a contract, that conveys the right to use an asset or a physically distinct part of an asset ("the underlying asset") for a period of time in exchange for consideration. Further, the contract must convey the right to the company to control the asset or a physically distinct portion thereof. A contract is deemed to convey the right to control the underlying asset if, throughout the period of use, the company has the right to:

- Obtain substantially all the economic benefits from the use of the underlying asset, and;
- Direct the use of the underlying asset (e.g. direct how and for what purpose the asset is used)

Speciality Care (Rest Homes) Limited

Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

Initial recognition and measurement

The company initially recognises a lease liability for the obligation to make lease payments and a right-of-use asset for the right to use the underlying asset for the lease term.

The lease liability is measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments, purchase options at exercise price (where payment is reasonably certain), expected amount of residual value guarantees, termination option penalties (where payment is considered reasonably certain) and variable lease payments that depend on an index or rate.

The right-of-use asset is initially measured at the amount of the lease liability, adjusted for lease prepayments, lease incentives received, the company's initial direct costs (e.g., commissions) and an estimate of restoration, removal and dismantling costs.

Subsequent measurement

After the commencement date, the company measures the lease liability by:

- (a) Increasing the carrying amount to reflect interest on the lease liability;
- (b) Reducing the carrying amount to reflect the lease payments made; and
- (c) Re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised substance fixed lease payments or on the occurrence of other specific events.

Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. Interest charges are included in finance costs in the profit and loss account, unless the costs are included in the carrying amount of another asset applying other applicable standards. Variable lease payments not included in the measurement of the lease liability, are included in operating expenses in the period in which the event or condition that triggers them arises.

The related right-of-use asset is accounted for using the Cost model in IAS 16 and depreciated and charged in accordance with the depreciation requirements of IAS 16 Property, Plant and Equipment as disclosed in the accounting policy for tangible assets. Adjustments are made to the carrying value of the right of use asset where the lease liability is re-measured in accordance with the above. Right of use assets are tested for impairment in accordance with IAS 36 Impairment of assets as disclosed in the accounting policy in impairment.

Lease modifications

If a lease is modified, the modified contract is evaluated to determine whether it is or contains a lease. If a lease continues to exist, the lease modification will result in either a separate lease or a change in the accounting for the existing lease.

The modification is accounted for as a separate lease if both:

- (a) The modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- (b) The consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

If both of these conditions are met, the lease modification results in two separate leases, the unmodified original lease and a separate lease. The company then accounts for these in line with the accounting policy for new leases.

If either of the conditions are not met, the modified lease is not accounted for as a separate lease and the consideration is allocated to the contract and the lease liability is re-measured using the lease term of the modified lease and the discount rate as determined at the effective date of the modification.

For a modification that fully or partially decreases the scope of the lease (e.g., reduces the square footage of leased space), IFRS 16 requires a lessee to decrease the carrying amount of the right-of-use asset to reflect partial or full termination of the lease. Any difference between those adjustments is recognised in profit or loss at the effective date of the modification.

For all other lease modifications which are not accounted for as a separate lease, IFRS 16 requires the lessee to recognise the amount of the re-measurement of the lease liability as an adjustment to the corresponding right-of-use asset without affecting profit or loss.

Speciality Care (Rest Homes) Limited

Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

Short term and low value leases

The company has made an accounting policy election, by class of underlying asset, not to recognise lease assets and lease liabilities for leases with a lease term of 12 months or less (i.e., short-term leases).

The company has made an accounting policy election on a lease-by-lease basis, not to recognise lease assets on leases for which the underlying asset is of low value.

Lease payments on short term and low value leases are accounted for on a straight line bases over the term of the lease or other systematic basis if considered more appropriate. Short term and low value lease payments are included in operating expenses in the profit and loss account.

Sub leases

If an underlying asset is re-leased by the company to a third party and the company retains the primary obligation under the original lease, the transaction is deemed to be a sublease. The company continues to account for the original lease (the head lease) as a lessee and accounts for the sublease as a lessor (intermediate lessor). When the head lease is a short term lease, the sublease is classified as an operating lease. Otherwise, the sublease is classified using the classification criteria applicable to Lessor Accounting in IFRS 16 by reference to the right-of-use asset in the head lease (and not the underlying asset of the head lease).

After classification lessor accounting is applied to the sublease.

Impairment of non-financial assets

Property, plant and equipment is tested for impairment by management when a trigger event that might affect asset values has occurred an impairment loss is recognised in the profit and loss account to the extent that the carrying amount cannot be recovered either by selling the asset or by the discounted future earnings form an income generating unit, which is an individual business operational unit.

Share capital

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

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a separate entity and has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans contributions are paid publicly or privately administered pension insurance plans on a mandatory or contractual basis. The contributions are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as an asset.

3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of certain financial assets, liabilities, income and expenses.

The critical estimates and assumptions are explained in more detail below:

Going concern

There are necessary estimates and judgments in the Director's assessment of going concern. The Directors' have considered these estimates and judgments in the going concern assessment of Aspris Holdco Limited, which includes those relating to this company, and disclosed in the Group's financial statements.

Speciality Care (Rest Homes) Limited

Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

Depreciation

The depreciation policies for each category of tangible assets have been set according to the estimated useful economic lives of the assets, something which is considered annually. The depreciation charged during the period was £76,000 (18 months to 30 June 2022 - £762,000), which the Directors feel is a fair reflection of the benefits derived from the utilisation of tangible assets in use during the period.

Right of use assets and liabilities

The Group leases a number of properties, recognised in accordance with IFRS16 (note 12).

In calculating the asset/liability attached to several of the lease agreements the company has required use of an Incremental Borrowing Rate ("IBR"). The IBR has considered the risk-free rate attributable to the currency, location and lease term of each property, adjusted to reflect the interest rates the company would be able to achieve based upon its financing arrangements at the time of the leases inception.

The Directors have applied judgement to determine the lease term for contracts that include a renewal or break option. Extension options and break clauses are included in a number of the company's lease agreements to maximise the flexibility in managing operational assets. In determining the lease term, the Directors have considered all facts, circumstances and the exercise dates of such clauses. Extension options and break clauses are only reflected in the lease term if there is reasonably certainty they will be exercised

4 Turnover

The analysis of the Company's turnover for the period from continuing operations is as follows:

	2 months to 31 August 2022 £ 000	18 months to 30 June 2022 £ 000
Rendering of services	740	7,196

All turnover and profit on ordinary activities before taxation arose within the United Kingdom and from one class of business.

Speciality Care (Rest Homes) Limited

Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

5 Operating profit

Arrived at after charging/(crediting)

	2 months to 31 August 2022 £ 000	18 months to 30 June 2022 £ 000
Depreciation expense	76	762
Depreciation on right of use assets	7	774
Profit on disposal of tangible assets	<u>(14)</u>	<u>(952)</u>

6 Interest payable and similar expenses

	2 months to 31 August 2022 £ 000	18 months to 30 June 2022 £ 000
Interest expense on leases	<u>2</u>	<u>421</u>

7 Staff costs

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

	2 months to 31 August 2022 £ 000	18 months to 30 June 2022 £ 000
Wages and salaries	422	4,121
Social security costs	49	315
Pension costs, defined contribution scheme	<u>12</u>	<u>124</u>
	<u>483</u>	<u>4,560</u>

No employees were directly employed by the company during the period. All employees were employed by Aspris Children's Services Limited, a fellow Group company. Costs are recharged to the Company on a specific basis.

8 Directors' remuneration

Costs relating to the Directors' services during the period were borne by Aspris Children's Services Limited, a fellow Group company. No amounts (18 months to 30 June 2022: £nil) have been recharged to the Company in respect of the Directors' services and the Directors do not believe that it is practical to allocate these costs between Group companies.

Speciality Care (Rest Homes) Limited

Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

9 Income tax

Tax charged/(credited) in the profit and loss account

	2 months to 31 August 2022 £ 000	18 months to 30 June 2022 £ 000
Current taxation		
UK corporation tax	231	(262)
Deferred taxation		
Arising from origination and reversal of temporary differences	-	30
Tax expense/(receipt) in the profit and loss account	<u>231</u>	<u>(232)</u>

The tax on profit before tax for the period is the same as the standard rate of corporation tax in the UK (2022 - the same as the standard rate of corporation tax in the UK) of 19% (2022 - 19%).

The differences are reconciled below:

	2 months to 31 August 2022 £ 000	18 months to 30 June 2022 £ 000
Profit before tax	<u>35</u>	<u>104</u>
Corporation tax at standard rate	7	20
Increase/(decrease) in current tax from adjustment for prior periods	225	(3)
Decrease from effect of capital allowances depreciation	(3)	(211)
Increase from tax losses for which no deferred tax asset was recognised	(16)	(98)
Deferred tax expense from unrecognised temporary difference from a prior period	25	-
Deferred tax (credit)/expense relating to changes in tax rates or laws	<u>(7)</u>	<u>60</u>
Total tax charge/(credit)	<u>231</u>	<u>(232)</u>

As a result of the Finance Bill 2021 the rates of income tax has increased from 19% to 25% for the period beginning April 2023.

Speciality Care (Rest Homes) Limited

Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

Deferred tax

Deferred tax calculated in full on temporary differences under the liability method using a tax rate of 19%. The increase in corporation tax to 25 % was substantively enacted in April 2023. This new rate will apply to deferred tax balances which are expected to reverse as at 1 September 2022.

Deferred tax assets and liabilities

	Asset £ 000	Liability £ 000	Net deferred tax £ 000
31 August 2022			
Accelerated tax depreciation	-	(71)	(71)
Other items	-	(65)	(65)
	<u>-</u>	<u>(136)</u>	<u>(136)</u>

	Asset £ 000	Liability £ 000	Net deferred tax £ 000
30 June 2022			
Accelerated tax depreciation	-	(71)	(71)
Other items	-	(65)	(65)
	<u>-</u>	<u>(136)</u>	<u>(136)</u>

Deferred tax movement during the period:

	At 1 July 2022 £ 000	At 31 August 2022 £ 000
Accelerated tax depreciation	(71)	(71)
Other items	(65)	(65)
	<u>(136)</u>	<u>(136)</u>

Deferred tax movement during the prior period:

	At 1 January 2021 £ 000	Recognised in income £ 000	At 30 June 2022 £ 000
Accelerated tax depreciation	(43)	(28)	(71)
Other items	(65)	-	(65)
	<u>(108)</u>	<u>(28)</u>	<u>(136)</u>

Deferred tax assets have been recognised in respect of all tax losses and other temporary differences giving rise to deferred tax assets where the Directors believe it is probable that these assets will be recovered.

Speciality Care (Rest Homes) Limited

Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

10 Intangible assets

	Goodwill £ 000	Total £ 000
Cost or valuation		
At 1 July 2022	146	146
At 31 August 2022	146	146
Carrying amount		
At 31 August 2022	146	146
At 30 June 2022	146	146

The Company tests goodwill annually for impairment, or more frequently if there is an indicator that goodwill might be impaired. The recoverable amount is determined from either value in use or fair value less costs to sell calculations. No reasonably likely changes in underlying assumptions would result in a material impairment change.

11 Tangible assets

	Land and buildings £ 000	Furniture, fittings and equipment £ 000	Assets under construction £ 000	Total £ 000
Cost or valuation				
At 1 July 2022	846	4,203	53	5,102
Additions	-	6	39	45
At 31 August 2022	846	4,209	92	5,147
Depreciation				
At 1 July 2022	835	2,183	-	3,018
Charge for the period	11	65	-	76
At 31 August 2022	846	2,248	-	3,094
Carrying amount				
At 31 August 2022	-	1,961	92	2,053
At 30 June 2022	11	2,020	53	2,084

Speciality Care (Rest Homes) Limited

Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

12 Right of use assets

	Motor vehicles £ 000	Total £ 000
Cost or valuation		
At 1 July 2022	230	230
Additions	17	17
Disposals	(40)	(40)
At 31 August 2022	<u>207</u>	<u>207</u>
Depreciation		
At 1 July 2022	142	142
Charge for the period	7	7
Eliminated on disposal	(40)	(40)
At 31 August 2022	<u>109</u>	<u>109</u>
Carrying amount		
At 31 August 2022	<u>98</u>	<u>98</u>
At 30 June 2022	<u>88</u>	<u>88</u>

13 Trade and other debtors

	31 August 2022 £ 000	30 June 2022 £ 000
Trade and other debtors falling due within one year		
Trade debtors	33	109
Provision for impairment of trade debtors	-	(4)
Net trade debtors	33	105
Accrued income	25	14
Prepayments	16	23
Other debtors	3	16
	<u>77</u>	<u>158</u>

14 Cash at bank and in hand

	31 August 2022 £ 000	30 June 2022 £ 000
Cash at bank	<u>11</u>	<u>30</u>

Speciality Care (Rest Homes) Limited

Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

15 Creditors: amounts falling due within one year

	31 August 2022 £ 000	30 June 2022 £ 000
Accrued expenses	231	154
Amounts due to related parties	5,716	5,592
Social security and other taxes	42	44
Other creditors	47	126
Income tax liability	(69)	(300)
Current portion of long term lease liabilities	32	37
Deferred income	1	256
	<u>6,000</u>	<u>5,909</u>

Amounts due to related parties are unsecured, repayable on demand and interest is charged at market rate and adjusted for on a Group basis.

16 Creditors: amounts falling due after more than one year

	31 August 2022 £ 000	30 June 2022 £ 000
Long term lease liabilities	<u>43</u>	<u>59</u>

17 Leases

Leases included in creditors

	31 August 2022 £ 000	30 June 2022 £ 000
Current portion of long term lease liabilities	32	37
Long term lease liabilities	<u>43</u>	<u>59</u>

Interest on lease liabilities of £2,000 (18 months to 30 June 2022 - £421,000) was recognised in the Profit and Loss Account.

Speciality Care (Rest Homes) Limited

Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

18 Share capital

Allotted, called up and fully paid shares

	31 August 2022		30 June 2022	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

19 Pension and other schemes

Defined contribution pension scheme

The Group operates a defined contribution pension scheme. The pension cost charge for the period represents contributions attributable to the Company to the Group scheme and amounted to £12,000 (18 months to 30 June 2022 - £124,000).

20 Parent and ultimate parent undertaking

The company's immediate parent is Speciality Care Limited.

The ultimate parent and controlling party is Waterland Private Equity Investments B.V.

The most senior parent entity producing publicly available financial statements is Aspris Holdco Limited. These financial statements are available upon request from The Forge, Church Street West, Woking, Surrey, GU21, 6HT, England

Relationship between entity and parents

The parent of the largest group in which these financial statements are consolidated is Aspris Holdco Limited, incorporated in England and Wales.

The address of Aspris Holdco Limited is:

The Forge, Church Street West, Woking, Surrey, GU21, 6HT

Aspris Holdco Limited is also the parent of the smallest group in which these financial statements are consolidated.