

# Independence Homes Limited

Annual Report and Financial Statements

For the period ended 31 March 2019

Company Registration No. 03419025 (England and Wales)

# Independence Homes Limited

## Company Information

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<b>Directors</b>	Matthew Tillet Andrea Kinkade Sharon Chrystal	(Appointed 21 January 2019) (Appointed 17 May 2019) (Appointed 25 July 2019)
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<b>Company number</b>	03419025
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<b>Registered office</b>	1 Suffolk Way Sevenoaks Kent TN13 1YL
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<b>Auditor</b>	Moore Kingston Smith LLP Betchworth House 57-65 Station Road Redhill Surrey RH1 1DL
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<b>Bankers</b>	Royal Bank of Scotland (EC3P 3HX) 5-10 Great Tower Street London EC3P 3HX
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# Independence Homes Limited

## Strategic Report

For the Period ended 31 March 2019

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The directors present their report and financial statements for the period ended 31 March 2019.

### Overview

The Company has a long and successful track record in the provision of residential care to people with complex needs, originally focusing on epilepsy but also in the fields of acquired brain injury and other conditions. With effect from 21 January 2019 the Company became part of the Active Care Group ("the Group").

The Group's underlying objective is to generate value for shareholders through the provision of outstanding care to people with complex needs, particularly in the areas of spinal injury, acquired brain injury, epilepsy and learning disability. In particular the group aims to provide a pathway for continuing care as the needs of these people change through:

- Eight independently operated case management companies
- Care-in-the-home provided through the leading Active Assistance brand and
- Residential care through the highly respected Independence Homes brand

The group is supported by a strong freehold asset base, and staff recruitment expertise provided through Jane Lewis, itself a leading provider of temporary staff across the healthcare sector. It is well positioned to integrate and create value from further acquisitions that support the group's underlying objective.

### Market context

The total market for adult specialist care in the UK is estimated to be in excess of £12bn per year. It is funded through Local Authorities, Clinical Commissioning Groups, and Insurance Companies. Active's range of services provides a significant addressable market and we believe continued growth to be likely due to:

- Changing demographics - modern medicine and diagnostics has extended life, increasing both the size, and average age of the population. Improving the life expectancy of those with more complex care needs has also created demand for a broader, more varied style of care service.
- Changing approach to care provision – historically, individuals with complex care needs were left within a hospital setting for a prolonged period. This is now seen as having a detrimental impact on both the individual, the efficiency of their care, and effectiveness of the hospital. The Group aims to work closely with trauma units and other medical professionals to provide long-term ongoing care within the community whenever possible. This ensures the care pathway works in the best interest of the individual's care needs.

# Independence Homes Limited

## Strategic Report (Continued)

For the Period ended 31 March 2019

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### Key risks and uncertainties

We believe that the Company and the Group are well placed to manage risks relative to many other groups in the sector due to:

- Their strong freehold asset base
- The breadth of both the care services that can be provided and the means through which this can be done
- Their in-house recruitment expertise

Residual risks and uncertainties relate primarily to funding and to the ability to recruit sufficient appropriate staff to provide care.

- Overall, UK government spending remains subject to tight control. Whilst budget cuts are announced in other areas, an increase in demand for UK adult social care continues to be reflected in spending decisions.
- We believe that the key means of delivery of care must inevitably remain through the private sector due to the long standing structures and relationships built up over many years
- We also believe that the political importance of the sector means that the government will ensure that providers retain access to a supply of labour from outside the UK, including after Brexit.

### Performance in the year

The results for the year, which are set out in the profit and loss account, show an operating profit of £6,860,426 for the period (year ended 31 October 2017 : £3,616,343). At 31 March 2019, the group had tangible fixed assets of £50,940,375 (31 October 2017, £44,373,872). The Directors consider the results for the year and the financial position of the group at the year end to be satisfactory. In addition to financial measures the Key Performance Indicators measured by the Group include Occupancy. The Directors are satisfied with the Occupancy position at the end of the year.

On behalf of the board

Matthew Tillett

**Director**

20 December 2019

# Independence Homes Limited

## Directors' Report

For the period ended 31 March 2019

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The directors present their report and financial statements for the period ended 31 March 2019.

### Principal activities

Independence Homes Limited operates care homes, a domiciliary care agency and provides healthcare training and consultancy services.

### Directors

The directors who held office during the period and up to the date of signature of financial statements were as follows:

John MacLeod	(Resigned 21 January 2019)
Melanie MacLeod	(Resigned 21 January 2019)
Hannah MacLeod	(Resigned 21 January 2019)
Michael MacLeod	(Resigned 21 January 2019)
Matthew Tillett	(Appointed 21 January 2019)
David Petrie	(Appointed 21 January 2019 and resigned 25 April 2019)
Christina Walsh	(Appointed 21 January 2019 and resigned 29 April 2019)
Andrea Kinkade	(Appointed 17 May 2019)
Sharon Chrystal	(Appointed 25 July 2019)

### Results and dividends

The results for the period are set out on page 9.

Ordinary dividends were paid amounting to £2,070,000. The directors do not recommend payment of a final dividend.

### Market value of land and buildings

In the opinion of the directors the market value of land and buildings does not materially differ to the book value.

### Financial instruments

#### *Interest rate risk*

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long-term and short-term debt finance.

Further details regarding interest rate risk can be found in the statement of accounting policies, note 1.7 to the financial statements.

#### *Credit risk*

The company's principal financial assets are bank balances and cash, trade and other receivables and investments.

The company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

# Independence Homes Limited

## Directors' Report (Continued)

For the period ended 31 March 2019

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### **Development of the service**

We continue to invest in the design and layout of all of our facilities and the use of new equipment and technology to monitor our service delivery. The directors regard the investment in such development as integral to the continuing success of the business and ensuring we are always providing our service users with an excellent service.

### **Disabled persons**

The company's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training and ongoing courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

### **Employee involvement**

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

Information of matters of concern to employees is given through our intranet, 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 group's performance.

### **Future developments**

The commercial environment is expected to remain competitive in 2018 as local authority and Health Authority purchasers continue to review their expenditure levels for potential savings. However because of our high levels of service quality these purchasers rarely reduce their spend with us and we remain confident that we will maintain our current level of performance in the future.

### **Auditor**

The auditors, Moore Kingston Smith LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

### **Statement of disclosure to auditor**

So far as the directors at the date of approving this report are aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors 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.

On behalf of the board

Matthew Tillet

**Director**

20 December 2019

# Independence Homes Limited

## Directors' Responsibilities Statement

For the period ended 31 March 2019

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

# Independence Homes Limited

## Independent Auditor's Report

To the Members of Independence Homes Limited

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### Opinion

We have audited the financial statements of Independence Homes Limited (the 'company') for the period ended 31 March 2019 which comprise the Profit And Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



# Independence Homes Limited

## Independent Auditor's Report (Continued)

To the Members of Independence Homes Limited

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### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

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

### **Responsibilities of directors**

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

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

### **Auditor's responsibilities for the audit of the financial statements**

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

# Independence Homes Limited

## Independent Auditor's Report (Continued)

### To the Members of Independence Homes Limited

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As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### Use of our report

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

**David Montgomery (Senior Statutory Auditor)**  
for and on behalf of Moore Kingston Smith LLP

20 December 2019

**Chartered Accountants**  
**Statutory Auditor**

Betchworth House  
57-65 Station Road  
Redhill  
Surrey  
RH1 1DL

# Independence Homes Limited

## Profit and loss account

For the period ended 31 March 2019

		Period ended 31 March 2019 £	Year ended 31 October 2017 £
	Notes		
<b>Turnover</b>	<b>3</b>	21,862,263	13,225,615
Cost of sales		(11,835,367)	(8,056,260)
<b>Gross profit</b>		10,026,896	5,169,355
Administrative expenses		(4,115,132)	(2,059,560)
Other operating income		948,662	506,548
<b>Operating profit</b>	<b>4</b>	6,860,426	3,616,343
Interest receivable and similar income	<b>8</b>	234,888	134,443
Interest payable and similar expenses	<b>9</b>	(3,127,611)	(815,229)
<b>Profit before taxation</b>		3,967,703	2,935,557
Taxation	<b>10</b>	(778,768)	(618,038)
<b>Profit for the financial period</b>		3,188,935	2,317,519

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

# Independence Homes Limited

## Statement of Comprehensive Income

For the period ended 31 March 2019

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	<b>Period ended 31 March 2019 £</b>	<b>Year ended 31 October 2017 £</b>
<b>Profit for the period</b>	<b>3,188,935</b>	<b>2,317,519</b>
	<hr/>	<hr/>
<b>Other comprehensive income</b>		
Revaluation of tangible fixed assets	5,218,494	-
Tax relating to other comprehensive income	(180,674)	91,025
	<hr/>	<hr/>
<b>Other comprehensive income for the period</b>	<b>5,037,820</b>	<b>91,025</b>
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<b>Total comprehensive income for the period</b>	<b>8,226,755</b>	<b>2,408,544</b>
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# Independence Homes Limited

## Balance Sheet

As at 31 March 2019

	Notes	2019 £	£	2017 £	£
<b>Fixed assets</b>					
Tangible assets	12	50,940,375		44,373,872	
<b>Current assets</b>					
Debtors falling due after more than one year	14	2,080,720		2,026,858	
Debtors falling due within one year	14	4,945,357		1,416,963	
Cash at bank and in hand		797,283		713,061	
		<u>7,823,360</u>		<u>4,156,882</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(22,050,493)</u>		<u>(2,324,657)</u>	
<b>Net current (liabilities)/assets</b>		<u>(14,227,133)</u>		<u>1,832,225</u>	
<b>Total assets less current liabilities</b>		<u>36,713,242</u>		<u>46,206,097</u>	
<b>Creditors: amounts falling due after more than one year</b>	16	-		(15,845,729)	
<b>Provisions for liabilities</b>	18	<u>(3,774,428)</u>		<u>(3,578,397)</u>	
<b>Net assets</b>		<u><u>32,938,814</u></u>		<u><u>26,781,971</u></u>	
<b>Capital and reserves</b>					
Called up share capital	21	1,200		1,112	
Revaluation reserve		22,996,051		17,958,231	
Profit and loss reserves		<u>9,941,563</u>		<u>8,822,628</u>	
<b>Total equity</b>		<u><u>32,938,814</u></u>		<u><u>26,781,971</u></u>	

The financial statements were approved by the board of directors and authorised for issue on 20 December 2019 and are signed on its behalf by:

Matthew Tillett  
Director

Company Registration No. 03419025

# Independence Homes Limited

## Statement of Changes in Equity

For the period ended 31 March 2019

		Share capital	Revaluation reserves	Profit and loss reserves	Total
	Notes	£	£	£	£
<b>Balance at 1 November 2016</b>		1,112	17,867,206	6,505,109	24,373,427
<b>Period ended 31 October 2017:</b>					
Profit for the period		-	-	2,317,519	2,317,519
Other comprehensive income:					
Tax relating to other comprehensive income		-	91,025	-	91,025
Total comprehensive income for the period		-	91,025	2,317,519	2,408,544
<b>Balance at 31 October 2017</b>		1,112	17,958,231	8,822,628	26,781,971
<b>Period ended 31 March 2019:</b>					
Profit for the period		-	-	3,188,935	3,188,935
Other comprehensive income:					
Revaluation of tangible fixed assets		-	5,218,494	-	5,218,494
Tax relating to other comprehensive income		-	(180,674)	-	(180,674)
Total comprehensive income for the period		-	5,037,820	3,188,935	8,226,755
Issue of share capital	<b>21</b>	88	-	-	88
Dividends	<b>11</b>	-	-	(2,070,000)	(2,070,000)
<b>Balance at 31 March 2019</b>		1,200	22,996,051	9,941,563	32,938,814

# Independence Homes Limited

## Statement of Cash Flows

For the period ended 31 March 2019

		2019		2017	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	25	24,053,853		5,154,133	
Interest paid		(3,127,611)		(815,229)	
Income taxes paid		(830,180)		(675,569)	
<b>Net cash inflow from operating activities</b>		<b>20,096,062</b>		<b>3,663,335</b>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(1,822,813)		(4,351,138)	
Proceeds on disposal of tangible fixed assets		38,892		40,000	
Interest received		181,026		850	
<b>Net cash used in investing activities</b>		<b>(1,602,895)</b>		<b>(4,310,288)</b>	
<b>Financing activities</b>					
Proceeds from issue of shares		88		-	
Repayment of borrowings		-		(933,743)	
Proceeds of new bank loans		-		1,449,600	
Repayment of bank loans		(16,339,033)		(469,883)	
Dividends paid		(2,070,000)		-	
<b>Net cash (used in)/generated from financing activities</b>		<b>(18,408,945)</b>		<b>45,974</b>	
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>84,222</b>		<b>(600,979)</b>	
Cash and cash equivalents at beginning of period		713,061		1,314,040	
<b>Cash and cash equivalents at end of period</b>		<b>797,283</b>		<b>713,061</b>	

# Independence Homes Limited

## Notes to the Financial Statements

For the period ended 31 March 2019

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### 1 Accounting policies

#### Company information

Independence Homes Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1 Suffolk Way, Sevenoaks, Kent, TN13 1YL.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of freehold properties and to certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

The financial statements show the company has net current liabilities of £14,227,133. Included in creditors is an amount of £18,973,952 due to the immediate parent company, Active Assistance (UK) Group Limited. The parent company has confirmed it will not seek repayment of this balance for a period of at least twelve months from the date of approval of these financial statements if to do so would jeopardise the company's ability to settle its other debts as they fall due. They have also confirmed that they will provide additional financial support to the company during the same period should it be required.

On this basis, the directors consider it appropriate for the financial statements to be prepared on the going concern basis.

#### 1.3 Reporting period

These financial statements have been prepared for the 17 months ended 31 March 2019. This is a longer period than in previous years due to the parent company aligning the year end to that of the rest of the group. Comparative amounts presented in these financial statements (including the related notes) are in respect of the year ended 31 October 2017 and so are not directly comparable.

#### 1.4 Turnover

Turnover represents amounts receivable for services provided for the period.

#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	nil
Land and buildings leasehold	over the period of the lease
Fixtures and fittings	25% straight line
Office equipment	25% straight line
Motor vehicles	20% straight line



# Independence Homes Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 March 2019

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### 1 Accounting policies

(Continued)

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 credited or charged to profit or loss.

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and losses are recognised in profit or loss. The cumulative surplus on revaluation whilst recognised in profit or loss is not distributable. The company transfers such revaluation surplus to a separate revaluation reserve within retained earnings together with the associated deferred tax annually.

#### 1.6 Impairment of fixed assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# Independence Homes Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 March 2019

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### 1 Accounting policies

(Continued)

#### 1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# Independence Homes Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 March 2019

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.9 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.

### 1.10 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 period. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# Independence Homes Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 March 2019

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### 1 Accounting policies

(Continued)

#### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset 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.

#### **1.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.12 Retirement benefits**

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

#### **1.13 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

# Independence Homes Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 March 2019

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### *Discounting of interest free loan*

The interest free loan, to a connected company, has been measured at amortised cost using the discount factor of 2.1%. The rate was deemed appropriate because the company had existing commercial loans with the same interest rate applied.

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2019 £	2017 £
<b>Turnover analysed by class of business</b>		
Care Services	21,862,263	13,225,615
	<u>21,862,263</u>	<u>13,225,615</u>
	2019 £	2017 £
<b>Other significant revenue</b>		
Interest income	234,888	134,443
Rental income	948,662	506,548
	<u>1,183,550</u>	<u>640,991</u>
	2019 £	2017 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	21,862,263	13,225,615
	<u>21,862,263</u>	<u>13,225,615</u>

### 4 Operating profit

	2019 £	2017 £
Operating profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	447,654	499,408
Profit on disposal of tangible fixed assets	(11,742)	(20,750)
Operating lease charges	1,059,186	736,052
	<u>1,495,098</u>	<u>1,214,710</u>

# Independence Homes Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 March 2019

### 5 Auditor's remuneration

	2019	2017
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	18,094	15,200

### 6 Employees

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

	2019 Number	2017 Number
Directors	4	4
Administrative staff	22	30
Care staff	343	312
	369	346

Their aggregate remuneration comprised:

	2019 £	2017 £
Wages and salaries	9,654,533	6,031,094
Social security costs	713,185	489,801
Pension costs	101,057	47,803
	10,468,775	6,568,698

### 7 Directors' remuneration

	2019 £	2017 £
Remuneration for qualifying services	508,668	28,560

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2019 £	2017 £
Remuneration for qualifying services	247,833	-

# Independence Homes Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 March 2019

### 8 Interest receivable and similar income

	2019 £	2017 £
<b>Interest income</b>		
Interest on bank deposits	4,200	850
Interest receivable from group companies	176,826	-
Total interest revenue	181,026	850
<b>Other income from investments</b>		
Other interest receivable	53,862	133,593
Total income	234,888	134,443

### 9 Interest payable and similar expenses

	2019 £	2017 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	934,082	721,827
Interest payable to group undertakings	731,046	-
	1,665,128	721,827
<b>Other finance costs:</b>		
Finance costs - charge on cash flow hedge	1,123,736	-
Other interest	338,747	93,402
	3,127,611	815,229

### 10 Taxation

	2019 £	2017 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	763,411	589,522
<b>Deferred tax</b>		
Origination and reversal of timing differences	15,357	28,516
Total tax charge	778,768	618,038

# Independence Homes Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 March 2019

### 10 Taxation

(Continued)

The actual charge for the period can be reconciled to the expected charge for the period based on the profit or loss and the standard rate of tax as follows:

	2019 £	2017 £
Profit before taxation	3,967,703	2,935,557
<i>Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.41%)</i>	753,864	569,909
Tax effect of expenses that are not deductible in determining taxable profit	6,849	2,629
Permanent capital allowances in excess of depreciation	13,730	30,771
Adjustments in respect of financial assets	(11,032)	(13,787)
Deferred tax	15,357	28,516
Taxation charge for the period	778,768	618,038

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2019 £	2017 £
Deferred tax arising on:		
Revaluation of property	180,674	(91,025)

### 11 Dividends

	2019 £	2017 £
Interim paid	2,070,000	-



# Independence Homes Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 March 2019

### 12 Tangible fixed assets

	Freehold land and buildings	Land and buildings leasehold	Office equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost or valuation</b>						
At 1 November 2017	43,546,649	1,996,762	1,551,505	712,963	285,471	48,093,350
Additions	1,486,861	20,675	277,506	4,738	33,033	1,822,813
Disposals	-	-	-	(81,300)	(15,905)	(97,205)
Revaluation	5,218,494	-	-	-	-	5,218,494
At 31 March 2019	50,252,004	2,017,437	1,829,011	636,401	302,599	55,037,452
<b>Depreciation and impairment</b>						
At 1 November 2017	1,242,004	385,011	1,236,520	593,035	262,908	3,719,478
Charge for the period	-	164,878	252,370	-	30,406	447,654
Eliminated in respect of disposals	-	-	-	(54,150)	(15,905)	(70,055)
At 31 March 2019	1,242,004	549,889	1,488,890	538,885	277,409	4,097,077
<b>Carrying amount</b>						
At 31 March 2019	49,010,000	1,467,548	340,121	97,516	25,190	50,940,375
At 31 October 2017	42,304,645	1,611,751	314,985	119,928	22,563	44,373,872

On 4 December 2018 the company's freehold land and buildings were valued by professional external valuers, as fully equipped operational entities and having regard to their trading potential at £49,010,000. In the opinion of the directors, the valuation at 31 March 2019 is not materially different from the net book value.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2019 £	2017 £
Cost	25,301,131	23,814,270
Accumulated depreciation	1,147,723	1,147,723
Carrying value	24,153,408	22,666,547

# Independence Homes Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 March 2019

### 13 Financial instruments

	2019 £	2017 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	6,866,540	3,279,339
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	19,651,949	17,833,808

### 14 Debtors

	2019 £	2017 £
<b>Amounts falling due within one year:</b>		
Trade debtors	839,201	778,097
Amounts due from group undertakings	2,570,612	-
Other debtors	1,376,007	474,384
Prepayments and accrued income	159,537	164,482
	4,945,357	1,416,963

	2019 £	2017 £
<b>Amounts falling due after more than one year:</b>		
Other debtors	2,080,720	2,026,858
<b>Total debtors</b>	7,026,077	3,443,821

### 15 Creditors: amounts falling due within one year

	Notes	2019 £	2017 £
Bank loans and overdrafts	17	-	493,304
Trade creditors		261,075	512,329
Amounts due to group undertakings		18,973,952	-
Corporation tax		143,552	210,321
Other taxation and social security		2,254,992	126,257
Other creditors		72,137	770,764
Accruals and deferred income		344,785	211,682
		22,050,493	2,324,657

# Independence Homes Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 March 2019

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

	Notes	2019 £	2017 £
Loans and overdrafts	17	-	15,845,729

Amounts included above which fall due after five years are as follows:

Payable by instalments	-	13,880,596
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### 17 Loans and overdrafts

	2019 £	2017 £
Bank loans	-	16,339,033
Payable within one year	-	493,304
Payable after one year	-	15,845,729

### 18 Provisions for liabilities

	Notes	2019 £	2017 £
Deferred tax liabilities	19	3,774,428	3,578,397

### 19 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Balances:	Liabilities 2019 £	Liabilities 2017 £
Accelerated capital allowances	228,269	212,912
Revaluations	3,546,159	3,365,485
	3,774,428	3,578,397

# Independence Homes Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 March 2019

### 19 Deferred taxation (Continued)

Movements in the period:	2019 £
Liability at 1 November 2017	3,578,397
Charge to profit or loss	15,357
Charge to other comprehensive income	180,674
Liability at 31 March 2019	<u>3,774,428</u>

### 20 Retirement benefit schemes

Defined contribution schemes	2019 £	2017 £
Charge to profit or loss in respect of defined contribution schemes	<u>101,057</u>	<u>47,803</u>

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.

### 21 Share capital

	2019 £	2017 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1,000 Ordinary shares of £1 each	1,000	1,000
112 Ordinary A shares of £1 each	112	112
22 Ordinary B shares of £1 each	22	-
66 Ordinary C shares of £1 each	66	-
	<u>1,200</u>	<u>1,112</u>

The Ordinary shares carry full voting, dividend and distribution rights.  
The Ordinary A shares carry full voting and dividend rights and limited distribution rights.  
The Ordinary B shares carry full voting and dividend rights and limited distribution rights.  
The Ordinary C shares carry full voting and dividend rights and limited distribution rights.

# Independence Homes Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 March 2019

### 21 Share capital

(Continued)

#### Reconciliation of movements during the period:

	Ordinary Number	Ordinary A Number	Ordinary B Number	Ordinary C Number
At 1 November 2017	1,000	112	-	-
Issue of fully paid shares	-	-	22	66
At 31 March 2019	1,000	112	22	66

### 22 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2017 £
Within one year	566,775	613,620
Between two and five years	1,878,450	1,953,668
In over five years	1,461,167	2,069,167
	3,906,392	4,636,455

### 23 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019 £	2017 £
Aggregate compensation	495,668	27,850

# Independence Homes Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 March 2019

### 23 Related party transactions

(Continued)

During the period the company paid Mr J. MacLeod £12,500 (2017: £12,500) for rental of offices and £20,000 (2017: £20,000) for website rental.

At year end £nil (2017: £318,927 ) and £nil (2017: £294,094) was owed to J. MacLeod and M. MacLeod respectively by Independence Homes Limited.

£5,476 (2017: £47,831) and £4,854 (2017: £46,021) of interest was received by J. MacLeod and M. MacLeod respectively during the period on balances due to them.

During the period the company paid rent and service charges of £456,000 (2017: £456,000) to Michaelhannah Limited, a company in which J. MacLeod and M. MacLeod were directors and controlling shareholders as nominees for their minor children up to 21 January 2019 when the companies were sold. At the period end, the company was owed £2,282,610 (2017: £2,026,858) by Michaelhannah Limited. The loan was interest free, but has been discounted back to fair value in accordance with FRS102. The fair value interest recognised on the loan was £53,862 (2017: £133,593).

During the period the remaining balance (£81,500) of a loan to Hannahmichael Limited, a company in which J. MacLeod and M. MacLeod are directors and controlling shareholders as nominees for their minor children, was repaid.

During the period the company lent a further £50,000 to Orange and Red Limited, a company in which J. MacLeod and M. MacLeod are directors and controlling shareholders. In December 2018 the entire loan balance of £334,228 was repaid.

### 24 Controlling party

The company's immediate parent undertaking is Active Assistance (UK) Group Limited, incorporated in England and Wales. The ultimate parent is ACG Holdco Limited, incorporated in England and Wales. The ultimate controlling party is Montreux Healthcare Fund, a registered investment fund in the Isle of Man.

### 25 Cash generated from operations

	2019 £	2017 £
Profit for the period after tax	3,188,935	2,317,519
<b>Adjustments for:</b>		
Taxation charged	778,768	618,038
Finance costs	3,127,611	815,229
Investment income	(234,888)	(134,443)
Gain on disposal of tangible fixed assets	(11,742)	(20,750)
Depreciation and impairment of tangible fixed assets	447,654	499,408
<b>Movements in working capital:</b>		
(Increase)/decrease in debtors	(3,528,394)	849,246
Increase in creditors	20,285,909	209,886
<b>Cash generated from operations</b>	<b>24,053,853</b>	<b>5,154,133</b>

# Independence Homes Limited

Management Information

For the period ended 31 March 2019

# Independence Homes Limited

## Detailed Trading and Profit and Loss Account

For the period ended 31 March 2019

		Period ended 31 March 2019	Year ended 31 October 2017
	£	£	£
<b>Turnover</b>			
Residential care services		6,720,919	6,315,061
Domiciliary care services		15,141,344	6,910,554
		<u>21,862,263</u>	<u>13,225,615</u>
<b>Cost of sales</b>			
Food purchases	256,364		175,217
Activities and outings expenditure	63,451		43,290
Holiday costs	31,555		39,123
Activity - Focus	64,017		37,847
Miscellaneous household purchases	24,846		23,361
Therapy costs	291,746		188,917
Wages and salaries	7,703,004		4,879,188
Social security costs	577,460		388,815
Temporary staff	646,907		328,134
Staff training	66,903		64,093
Staff pension costs defined contribution	74,079		28,984
Other staff costs	1,131		60,445
Directors' remuneration	-		7,650
Travel expenses	89,766		72,639
Utilities	221,487		133,055
Rent	650,333		635,102
Registration fees	2,901		1,523
Insurance	77,867		72,336
Repairs and maintenance	609,612		430,505
Sundry expenses	6,294		3,220
Depreciation	375,644		442,816
		<u>(11,835,367)</u>	<u>(8,056,260)</u>
<b>Gross profit</b>		10,026,896	5,169,355
<b>Other operating income</b>			
Rent receivable		948,662	506,548
<b>Administrative expenses</b>		<u>(4,115,132)</u>	<u>(2,059,560)</u>
<b>Operating profit</b>		6,860,426	3,616,343
<b>Investment revenues</b>			
Interest receivable from group companies	176,826		-
Bank interest received	4,200		850
Interest received on loans held at fair value	53,862		133,593
		<u>234,888</u>	<u>134,443</u>



# Independence Homes Limited

## Detailed Trading and Profit and Loss Account (Continued)

For the period ended 31 March 2019

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		Period ended 31 March 2019		Year ended 31 October 2017
	£	£	£	£
<b>Interest payable and similar expenses</b>				
Bank interest on loans	934,082		721,827	
Interest on loans from directors	10,062		93,402	
Interest on overdue taxation	328,685		-	
Interest payable to group companies	731,046		-	
Finance costs - charge on cashflow hedge	1,123,736		-	
		(3,127,611)		(815,229)
<b>Profit before taxation</b>		<u>3,967,703</u>		<u>2,935,557</u>

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# Independence Homes Limited

## Schedule of Administrative Expenses

For the period ended 31 March 2019

	<b>Period ended 31 March 2019 £</b>	<b>Year ended 31 October 2017 £</b>
<b>Administrative expenses</b>		
Wages and salaries	1,442,861	1,123,346
Social security costs	135,725	100,986
Staff recruitment costs	63,986	48,885
Staff pension costs defined contribution	26,978	18,819
Directors' remuneration	508,668	20,910
Rent and rates	408,853	100,950
Repairs and maintenance	184,105	19,182
Insurance	33,680	1,795
Computer running costs	100,211	163,408
Software costs	147,242	-
Motor and travel expenses	40,246	18,134
Professional subscriptions	27,993	14,842
Legal and professional fees	90,290	30,304
Consultancy fees	10,708	-
Accountancy	26,100	21,734
Audit fees	18,094	9,826
Charitable donations	1,627	14,002
Bank charges	79,822	14,912
Bad and doubtful debts	168,572	-
Discounts allowed	-	44
Printing, postage and stationery	63,442	40,942
Brochures, website and advertising	241,375	159,323
Telephone	113,627	82,962
Entertaining	26,923	8,218
Sundry expenses	11,224	10,194
Acquisition costs	82,512	-
Depreciation	72,010	56,592
Profit on sale of tangible assets	(11,742)	(20,750)
	<u>4,115,132</u>	<u>2,059,560</u>

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.