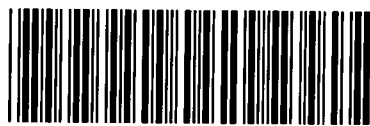


CARE BY US LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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CARE BY US LIMITED

COMPANY INFORMATION

Directors	C A Horne (resigned 29 June 2021) A J Horne (resigned 29 June 2021) D O Baxter (resigned 29 June 2021) N Goodban (appointed 29 June 2021) L Krige (appointed 29 June 2021) J Thorburn-Muirhead (appointed 29 June 2021)
Company Secretary	N Goodban
Registered number	04664433
Registered office	Cardinal House Abbeyfield Court Abbeyfield Road Nottingham NG7 2SZ
Independent Auditors	Price Bailey LLP Chartered Accountants & Statutory Auditors Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT

CARE BY US LIMITED

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CARE BY US LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

Introduction

Care By Us is principally engaged in the business of domiciliary care services with 5 key service lines:

- 1) Mainstream Domiciliary Care
- 2) Reablement Care (Including accelerated hospital discharge and prevention of admission services)
- 3) Live-In Care
- 4) Extra Care
- 5) Supported Living and Community Support.

Business review

During the financial year ending March 2021, the Company has been successful in delivering upon its contracts awarded by Hertfordshire County Council, as well as its other contracts with other local authorities, CCG's and private clients. The Company bid for and won the Strategic Lead Provider contracts for Dacorum, East Herts and Hertsmere and these contracts went live on 28 September 2020. In addition the Company was asked to continue to provide reablement services for Hertfordshire County Council in Stevenage and which it has done successfully.

The Company continues to be rated "OUTSTANDING" in all five key lines of enquiry at both of its offices by CQC, the government regulator for health and social care.

Principal risks and uncertainties

The main uncertainties for the business are:

1. The stability of the workforce as the Coronavirus pandemic starts to retreat and the country emerges from lockdown;
2. Recruitment continues to be challenging;
3. Increasing staff turnover post Covid.

These risks are managed by implementing staff support programmes, a multi-channel recruitment strategy and pro-actively working to retain staff.

CARE BY US LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Financial key performance indicators

The principal goal of the business is to provide an Outstanding quality care service to its clients, but as a commercial entity this must be done in the most cost efficient way to support sustainable growth and maximise profitability.

During the year 2020-21 Care By Us continued to invest heavily in its staff, their development and the back office support infrastructure necessary in order to continue providing a safe, secure and outstanding service, as well as being able to marginally improve profitability against the preceding year.


DESCRIPTION	ACTUAL PERFORMANCE		% PERFORMANCE		ACTUAL MOVEMENT	% MOVEMENT
	2019-20	2020-21	2019-20	2020-21	2020-21	2020-21
Sales Revenue	£18,042,293	£20,908,874	100%	100%	£2,866,581	16%
Gross Profit	£4,964,497	£5,285,809	27.52%	25.28%	£321,312	6%
Net Profit	£1,368,688	£2,269,679	7.59%	10.86%	£900,991	66%

COVID-19

The Directors are continuously monitoring the ongoing situation regarding the outbreak of COVID-19 which has had a significant impact on the UK economy. Barrier care and an extremely conservative PPE policy continue to be a key part of our management of the risks presented by Covid, and the main issue facing the Company as Covid starts to retreat is the effects of the pandemic on the health and well-being of the staff. The Company derives the majority of its income from local councils whose funding, backed by significant extra-ordinary contributions from central government, remain largely unaffected and the strong and continued support of central and local government to social care will ensure that the Company can continue trading for a period of at least 12 months following the date of this report. The Directors have no concerns regarding the Company's ability to continue as a going concern.

This report was approved by the board on 07 Sep 2021

and signed on its behalf.



Lynn Krige (Sep 7, 2021, 11:56am)

L Krige
Director

CARE BY US LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

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

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 to 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' Reports may differ from legislation in other jurisdictions.

Results and dividends

The profit for the year, after taxation, amounted to £1,838,480 (2020 - £1,106,623).

Dividends of £218,750 were declared during the year (2020 - £232,500).

Directors

The Directors who served during the year were:

C A Horne (resigned 29 June 2021)
A J Horne (resigned 29 June 2021)
D O Baxter (resigned 29 June 2021)

Engagement with employees

Care By Us has established a strong practice of keeping employees informed on matters affecting them as employees and the financial and economic factors which affect the performance of the Company. The Senior Management Team have established employee forums in the form of Group Carers Contact Meetings which are always attended by a member of the Senior Management Team to ensure that feedback is acted upon. In addition there are regular meetings held within the office, staffing teams plus regular communication to all employees via text message and employee Care By Us emails.

CARE BY US LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Disabled employees

Applications for employment of disabled persons are given full and fair consideration for all vacancies in accordance with the particular abilities and aptitudes of the applicant. In the event of an employee becoming disabled, every effort is made to retrain them for their current position or to find them a suitable alternative position, in order that their employment with the Company may continue.

We encourage a working environment in which diversity is recognised, valued, encouraged and celebrated. Care By Us is committed to the principles of tolerance, fairness and mutual respect.

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

On the 29 June 2021 100% of the company's share capital, trade, assets and liabilities were transferred to City and County Healthcare Group Limited. which at this point became the immediate controlling party.

This report was approved by the board on 07 Sep 2021 and signed on its behalf.



Lynn Krige (Sep 7, 2021, 11:56am)

L Krige
Director

CARE BY US LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARE BY US LIMITED

Opinion

We have audited the financial statements of Care by Us Limited (the 'Company') for the year ended 31 March 2021, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

CARE BY US LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARE BY US LIMITED (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

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

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 or the Directors' Report.

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

- adequate accounting records have not been kept, 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 set out on page 3, 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.

CARE BY US LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARE BY US LIMITED (CONTINUED)

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

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

We did not identify any specific laws and regulations that would cause non-compliance with legislations to be a significant risk. As such, we deemed this area as low risk and performed the following as standard procedures only:

- Enquiry of management around actual and potential litigation and claims, and any known instances of non-compliance;
- Reviewing minutes of meetings of those charged with governance;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias; and
- Reviewing our work throughout the audit file for evidence of non-compliance.

Due to factors such as the use of judgement, sample testing and the inherent limitations of internal control, these procedures are capable of obtaining reasonable, but not absolute, assurance that irregularities have been detected.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

CARE BY US LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARE BY US LIMITED (CONTINUED)

Use of our Report

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

Richard Vass (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

8 September 2021

CARE BY US LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £	2020 £
Turnover	4	20,908,874	18,042,293
Cost of sales		(15,623,065)	(13,077,796)
Gross profit		<u>5,285,809</u>	<u>4,964,497</u>
Administrative expenses		(3,875,826)	(3,602,330)
Other operating income	5	857,291	-
Operating profit	6	<u>2,267,274</u>	<u>1,362,167</u>
Interest receivable and similar income	9	2,405	6,664
Interest payable and similar expenses		-	(143)
Profit before tax		<u>2,269,679</u>	<u>1,368,688</u>
Tax on profit	10	(431,199)	(262,065)
Profit for the financial year		<u><u>1,838,480</u></u>	<u><u>1,106,623</u></u>

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2021 (2020: £NIL).

The notes on pages 13 to 26 form part of these financial statements.

CARE BY US LIMITED
REGISTERED NUMBER: 04664433

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	277,809	224,281
		<u>277,809</u>	<u>224,281</u>
Current assets			
Debtors: amounts falling due after more than one year	12	-	882,705
Debtors: amounts falling due within one year	12	5,975,632	2,259,621
Cash at bank and in hand	13	2,083,277	2,984,842
		<u>8,058,909</u>	<u>6,127,168</u>
Creditors: amounts falling due within one year	14	(2,225,741)	(1,863,635)
Net current assets		<u>5,833,168</u>	<u>4,263,533</u>
Total assets less current liabilities		<u>6,110,977</u>	<u>4,487,814</u>
Provisions for liabilities			
Deferred tax	16	(17,364)	-
Other provisions	17	(122,131)	(136,062)
		<u>(139,495)</u>	<u>(136,062)</u>
Net assets		<u><u>5,971,482</u></u>	<u><u>4,351,752</u></u>
Capital and reserves			
Called up share capital	18	100	100
Profit and loss account	19	5,971,382	4,351,652
		<u><u>5,971,482</u></u>	<u><u>4,351,752</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Lynn Krige (Sep 7, 2021, 11:56am)

L Krige
Director

Date: 07 Sep 2021

The notes on pages 13 to 26 form part of these financial statements.

CARE BY US LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2019	100	3,477,529	3,477,629
Comprehensive income for the year			
Profit for the year	-	1,106,623	1,106,623
Total comprehensive income for the year	-	1,106,623	1,106,623
Dividends: Equity capital	-	(232,500)	(232,500)
Total transactions with owners	-	(232,500)	(232,500)
At 1 April 2020	100	4,351,652	4,351,752
Comprehensive income for the year			
Profit for the year	-	1,838,480	1,838,480
Total comprehensive income for the year	-	1,838,480	1,838,480
Dividends: Equity capital	-	(218,750)	(218,750)
Total transactions with owners	-	(218,750)	(218,750)
At 31 March 2021	100	5,971,382	5,971,482

The notes on pages 13 to 26 form part of these financial statements.

CARE BY US LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
Cash flows from operating activities		
Profit for the financial year	1,838,480	1,106,623
Adjustments for:		
Depreciation of tangible assets	65,283	66,402
Profit on disposal of tangible assets	(4,010)	(2,950)
Government grants	(857,291)	-
Interest paid	-	143
Interest received	(2,405)	(6,664)
Taxation charge	408,318	262,065
(Increase) in debtors	(2,922,047)	(43,120)
Increase/(decrease) in creditors	276,860	(61,584)
Increase/(decrease) in provisions	3,433	(10,970)
Corporation tax (paid)	(234,331)	(318,286)
Net cash generated from operating activities	<u>(1,427,710)</u>	<u>991,659</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(121,572)	(149,863)
Sale of tangible fixed assets	6,771	2,950
Government grants received	857,291	-
Interest received	2,405	6,664
Net cash from investing activities	<u>744,895</u>	<u>(140,249)</u>
Cash flows from financing activities		
Dividends paid	(218,750)	(232,500)
Interest paid	-	(143)
Net cash used in financing activities	<u>(218,750)</u>	<u>(232,643)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(901,565)</u>	<u>618,767</u>
Cash and cash equivalents at beginning of year	2,984,842	2,366,075
Cash and cash equivalents at the end of year	<u><u>2,083,277</u></u>	<u><u>2,984,842</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	2,083,277	2,984,842
	<u><u>2,083,277</u></u>	<u><u>2,984,842</u></u>

The notes on pages 13 to 26 form part of these financial statements.

CARE BY US LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. General information

The company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is Millars Three, Southmill Road, Bishop's Stortford, Hertfordshire, CM23 3DH.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company's presentational and functional currency is Pounds Sterling.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

Following the year end the company has been unaffected by restrictions imposed by the UK Government in response to the COVID-19 pandemic.

The Company derives the majority of its income from local councils whose funding remains largely unaffected, this will ensure that the Company can continue trading for a period of at least 12 months following the date of this report. The financial statements do not contain any adjustments that would be required if the Company were not able to continue as a going concern.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

CARE BY US LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	-	33%
Fixtures and fittings	-	10%
Office equipment	-	10% - 20%
Computer equipment	-	25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.7 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

CARE BY US LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.12 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.13 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

CARE BY US LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.15 Current and deferred taxation

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

CARE BY US LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the entity's accounting policies

(i) Multi-employer defined benefit pension scheme

Certain employees participate in a multi-employer defined benefit pension scheme with other companies in the region. In the judgment of the directors, the company does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. In line with accounting standards this has therefore been treated as a defined contribution scheme.

(b) Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10 for the carrying amount of the property plant and equipment, and note 2.4 for the useful economic lives for each class of assets.

(ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 12 for the net carrying amount of the debtors and associated impairment provision.

4. Turnover

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Care and support services	20,908,874	18,042,293

All turnover arose within the United Kingdom.

CARE BY US LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

5. Other operating income

	2021 £	2020 £
Government grants receivable	857,291	-
	<u>857,291</u>	<u>-</u>

6. Operating profit

The operating profit is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets	65,283	66,872
Fees payable to the Company's auditor and its associates for the Audit of the Company's financial statements	12,750	8,300
Non-audit fees	18,750	2,500
Other operating lease rentals	136,197	125,288
	<u>332,980</u>	<u>202,960</u>

7. Employees

Staff costs, including Directors' remuneration, were as follows:

	2021 £	2020 £
Wages and salaries	14,761,590	13,027,938
Social security costs	1,173,869	990,867
Cost of defined contribution scheme	359,049	242,738
	<u>16,294,508</u>	<u>14,261,543</u>

The average monthly number of employees, including the Directors, during the year was as follows:

	2021 No.	2020 No.
Carers	684	654
Administration	108	103
	<u>792</u>	<u>757</u>

CARE BY US LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

8. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	100,300	87,030
Company contributions to defined contribution pension schemes	80,000	80,000
	<u>180,300</u>	<u>167,030</u>

During the year retirement benefits were accruing to 2 Directors (2020 - 2) in respect of defined contribution pension schemes.

9. Interest receivable

	2021 £	2020 £
Other interest receivable	<u>2,405</u>	<u>6,664</u>

10. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	<u>408,318</u>	<u>232,938</u>
Deferred tax		
Origination and reversal of timing differences	<u>22,881</u>	<u>29,127</u>
Taxation on profit on ordinary activities	<u>431,199</u>	<u>262,065</u>

CARE BY US LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	2,269,679	1,368,688
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	431,239	260,051
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	589	1,528
Other differences leading to an increase (decrease) in the tax charge	(629)	486
Total tax charge for the year	431,199	262,065

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

CARE BY US LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

11. Tangible fixed assets

	Motor vehicles £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 April 2020	82,093	157,809	15,326	464,684	719,912
Additions	45,705	27,802	-	48,065	121,572
Disposals	(36,943)	-	-	(2,394)	(39,337)
At 31 March 2021	90,855	185,611	15,326	510,355	802,147
Depreciation					
At 1 April 2020	73,817	74,686	8,629	338,499	495,631
Charge for the year on owned assets	8,266	15,747	1,460	39,810	65,283
Disposals	(35,724)	-	-	(852)	(36,576)
At 31 March 2021	46,359	90,433	10,089	377,457	524,338
Net book value					
At 31 March 2021	44,496	95,178	5,237	132,898	277,809
At 31 March 2020	8,276	83,123	6,697	126,185	224,281

CARE BY US LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

12. Debtors

	2021 £	2020 £
Due after more than one year		
Other debtors	-	882,705
	<u> </u>	<u> </u>
	2021 £	2020 £
Due within one year		
Trade debtors	1,403,157	1,573,135
Other debtors	3,936,263	159,093
Prepayments and accrued income	636,212	521,876
Deferred taxation	-	5,517
	<u>5,975,632</u>	<u>2,259,621</u>

13. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	2,083,277	2,984,842
	<u> </u>	<u> </u>

14. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	323,421	329,101
Corporation tax	85,246	-
Other taxation and social security	291,918	226,789
Other creditors	1,473,189	1,263,329
Accruals and deferred income	51,967	44,416
	<u>2,225,741</u>	<u>1,863,635</u>

CARE BY US LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

15. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through profit or loss	2,083,277	2,984,842
Financial assets that are debt instruments measured at amortised cost	5,896,104	2,964,823
	<u>7,979,381</u>	<u>5,949,665</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(1,848,577)</u>	<u>(1,636,846)</u>

Financial assets measured at fair value through profit or loss comprise of cash and cash equivalents.

Financial assets that are debt instruments measured at amortised cost comprise of trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise of trade creditors, accruals and other creditors.

16. Deferred taxation

	2021 £
At beginning of year	5,517
Charged to profit or loss	(22,881)
At end of year	<u>(17,364)</u>

The deferred taxation balance is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(23,397)	(19,396)
Other timing differences	6,033	24,913
	<u>(17,364)</u>	<u>5,517</u>

CARE BY US LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

17. Provisions

	Dilapidations provision £
At 1 April 2020	136,062
Charged to profit or loss	(13,931)
At 31 March 2021	122,131

18. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
100 (2020 - 100) Ordinary shares of £1.00 each	100	100

19. Reserves

Profit and loss account

Reserves represent distributable current and prior period retained profits.

20. Contingent liabilities

The company has guaranteed loans for Professional Care Solutions Limited. The value of loans guaranteed which were outstanding at the Balance Sheet date amounted to £NIL (2020 - £1,518,197). In the post balance sheet period, the guarantee was removed by the company's bankers.

The company has given guarantees to the Hertfordshire County Council Local Government Pension Scheme totalling £36,000 over future liabilities of scheme members employed by the company.

21. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £359,049 (2020 - £242,738).

Contributions totalling £31,755 (2020 - £131,120) were payable to the fund at the balance sheet date.

CARE BY US LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

22. Commitments under operating leases

At 31 March 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Land and Buildings		
Not later than 1 year	48,690	54,662
Later than 1 year and not later than 5 years	76,982	-
	<u>125,672</u>	<u>54,662</u>
	2021 £	2020 £
Other Assets		
Not later than 1 year	10,855	33,104
Later than 1 year and not later than 5 years	838	11,415
	<u>11,693</u>	<u>44,519</u>

23. Related party transactions

During the year the company was charged rent of £158,400 (2020 - £217,957) and received recharge income of £13,200 (2020 - £5,809) from Professional Care Solutions Limited, a company which is controlled by C A Horne and A J Horne. The amount due from the company at the year end was £884,246 (2020 - £884,254) and the amount due to the company at the year end was £NIL (2020 - £6,107). The loan amount has been provided interest free.

During the year the company received training grants of £3,000 (2020 - £6,040) and paid for training seminars and membership totaling £360 (2020 - £360) to Hertfordshire Care Providers Association Limited, a company of which A J Horne is a director. The amount due at the year end is £NIL (2020 - £NIL).

During the year, dividends of £218,750 were paid to shareholders in the year (2020 - £232,500). No amounts were outstanding at the year end.

24. Post balance sheet events

On the 29 June 2021 100% of the company's share capital, trade, assets and liabilities were transferred to City and County Healthcare Group Limited, which at this point became the ultimate controlling party.

CARE BY US LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

25. Controlling party

At the Balance Sheet date the ultimate controlling party of the Company was C A Horne and A J Horne as majority shareholders. On 29th June 2021, 100% of the share capital of the Company was acquired by City and County Healthcare Group Limited, a company incorporated in England and Wales.

The company's immediate parent company is City and County Healthcare Group Limited. The only group in which the results of Care By Us Limited are consolidated is that headed by C&C Topco Limited, a company incorporated in England and Wales. Consolidated financial statements are available to the public and may be obtained from Companies House.

At 31 March 2021, the majority of the equity shareholding of C&C Topco Limited were held by Summit Partners Growth Equity Fund X, a series of limited liability partnerships. Accordingly, the Directors believe there is no ultimate controlling party.