

Registration number: 06851740

Improving Prospects Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2021

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Improving Prospects Ltd

(Registration number: 06851740)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	139,550	153,929
Current assets			
Debtors	5	848,765	828,359
Cash at bank and in hand		<u>380,576</u>	<u>97,629</u>
		1,229,341	925,988
Creditors: Amounts falling due within one year	6	<u>(332,291)</u>	<u>(331,196)</u>
Net current assets		<u>897,050</u>	<u>594,792</u>
Total assets less current liabilities		1,036,600	748,721
Provisions for liabilities		<u>(17,637)</u>	<u>(17,507)</u>
Net assets		<u>1,018,963</u>	<u>731,214</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		<u>1,018,961</u>	<u>731,212</u>
Shareholders' funds		<u>1,018,963</u>	<u>731,214</u>

For the financial year ending 31 March 2021 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

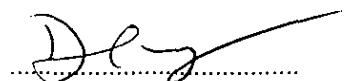
Directors' responsibilities:

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

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 5/8/21 and signed on its behalf by:



D Glyn
Director

The notes on pages 2 to 6 form an integral part of these financial statements.

Improving Prospects Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

1 General information

The company is a private company limited by share capital, incorporated and domiciled in the UK.

The address of its registered office is:

Freshford House

Redcliffe Way

Bristol

BS1 6NL

The principal place of business is:

Gladstone House

Gladstone Drive

Soundwell

Bristol

South Gloucestershire

BS16 4RU

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are prepared in sterling, which is the functional currency of the company, and rounded to the nearest £.

Name of parent of group

These financial statements are consolidated in the financial statements of Kaieteur Kare Limited.

The financial statements of Kaieteur Kare Limited may be obtained from Gladstone House, Gladstone Drive, Soundwell, Bristol, South Gloucestershire, BS16 4RU.

Going concern

In light of the ongoing pandemic of "Covid-19", the directors have reviewed the company's income projections for the next twelve months and consider there to be no impact on the company's ability to act as a going concern.

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

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Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

- the amount of revenue can be reliably measured;
- it is probable that future economic benefits will flow to the entity; and
- specific criteria have been met for each of the company's activities.

Government grants

Grants are recognised using the accruals model. Grants relating to capital expenditure are released to the profit and loss account over the expected useful life of the assets to which they relate. Grants relating to revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

Finance income and costs policy

Finance income and expenses are recognised using the effective interest method.

Tax

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

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

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

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

Depreciation

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

Asset class	Depreciation method and rate
Plant and machinery	20% straight line
Property improvements	10% straight line

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Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

Cash and cash equivalents

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

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

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

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. *Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date.* If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

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

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

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

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Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

Defined contribution pension obligation

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

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 80 (2020 - 76).

4 Tangible assets

	Property improvements £	Plant and machinery £	Total £
Cost or valuation			
At 1 April 2020	679,707	243,260	922,967
Additions	<u>32,550</u>	<u>6,463</u>	<u>39,013</u>
At 31 March 2021	<u>712,257</u>	<u>249,723</u>	<u>961,980</u>
Depreciation			
At 1 April 2020	554,695	214,343	769,038
Charge for the year	<u>41,966</u>	<u>11,426</u>	<u>53,392</u>
At 31 March 2021	<u>596,661</u>	<u>225,769</u>	<u>822,430</u>
Carrying amount			
At 31 March 2021	<u>115,596</u>	<u>23,954</u>	<u>139,550</u>
At 31 March 2020	<u>125,012</u>	<u>28,917</u>	<u>153,929</u>

5 Debtors

	Note	2021 £	2020 £
Trade debtors		137,956	133,769
Amounts owed from related parties		597,636	606,474
Other debtors		10,824	7,661
Prepayments and accrued income		<u>102,349</u>	<u>80,455</u>
		<u>848,765</u>	<u>828,359</u>

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Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

6 Creditors

Creditors: amounts falling due within one year

	Note	2021 £	2020 £
Due within one year			
Trade creditors		25,305	17,035
Amounts owed to related parties		117,153	196,587
Taxation and social security		38,102	32,821
Other creditors		17,435	11,964
Accruals and deferred income		66,328	58,696
Corporation tax liability		67,968	14,093
		<u>332,291</u>	<u>331,196</u>

7 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £25,422 (2020 - £Nil).

8 Parent and ultimate parent undertaking

The company's immediate parent is Manor Care Community Limited, incorporated in England and Wales.

The ultimate parent is Kaiteur Kare Limited, incorporated in England and Wales.