

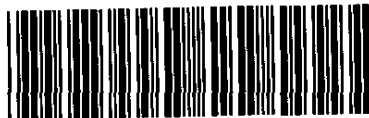
Registered number: 11841969

Aspire Wellbeing Limited

Annual report

30 September 2022

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Aspire Wellbeing Limited

Company information

Director	A Puri
Registered number	11841969
Registered office	Waterloo House Thornton Street Newcastle upon Tyne NE1 4AP
Independent auditor	UNW LLP Chartered Accountants Citygate St James' Boulevard Newcastle upon Tyne NE1 4JE

Aspire Wellbeing Limited

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Aspire Wellbeing Limited

Group strategic report Year ended 30 September 2022

Introduction

The director presents the strategic report of the group for the year ended 30 September 2022.

Business review

The principal activities of the group during the year was the provision of social care services, in residential nursing and supported living settings. Additionally the group provide pharmaceutical services and redevelopes and sells residential houses.

The turnover of the group for the year was £11,094k (2021: £13,328k) The directors use a number of high-level Key Performance Indicators to monitor the business as follows:

	2022	2021
	£	£
Turnover	11,118,336	13,304,149
Cost of sales	(8,989,079)	(11,216,380)
Gross profit	2,129,257	2,087,769

Sales have been lower this year due to the groups' current property development project coming to an end, sales in the social care and pharmaceutical activities remain consistent with previous years.

Principal risks and uncertainties

The director does not consider there to be any immediate significant risks likely to have an impact on the short term value of the business. The following uncertainties and risks are assessed:

- Continued assessment of the long-term care sector and the potential changes on the horizon.
- Review of government policy, local authority market position statements and the impact on the care sector of proposed changes in either social economic terms or direct government focus. Respond to potential changes in the general political view of the privately provided care sector.
- Review of the housing market and pensions, enabling an assessment of service user's ability to pay for care services.

Operational risks are those of service provision and development, health and safety and competition from other organisations amongst other. However, the group prides itself in its ability to minimise risk through its internal control procedures.

Future developments

The group intends to continue with its principal activity in the upcoming period.

This report was approved by the board on 29 June 2023 and signed on its behalf by:



A Puri
Director

Aspire Wellbeing Limited

Director's report Year ended 30 September 2022

The director presents his report and the financial statements for the year ended 30 September 2022.

Results and dividends

The loss for the year, after taxation, amounted to £143,359 (2021 - loss £178,181).

Dividends totalling £nil (2021: £nil) were proposed in the year. The directors do not recommend the payment of a final dividend.

Director

The director who served during the year was:

A Puri

Matters covered in the Group strategic report

Future developments and financial risk management objectives and policies, which would otherwise be disclosed in the directors' report disclosed in the strategic report, as permitted by section 414C(11) of the Companies Act 2006.

Disclosure of information to auditor

The director at the time when this director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the company and the Group's auditor is unaware, and
- he 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 and the Group's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the Group or company since the year end.

Auditor

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

This report was approved by the board on 29 June 2023 and signed on its behalf by:



A Puri
Director

Aspire Wellbeing Limited

Director's responsibilities statement Year ended 30 September 2022

The director is responsible for preparing the group strategic report, the director's report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies 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 Group will continue in business.

The director is 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 the Group and to enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Independent auditor's report to the members of Aspire Wellbeing Limited

Opinion

We have audited the financial statements of Aspire Wellbeing Limited (the 'parent company') and its subsidiaries (the 'Group') for the year ended 30 September 2022, which comprise the Group statement of comprehensive income, the Group and company balance sheets, the Group statement of cash flows, the Group and company 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 Group's and of the parent company's affairs as at 30 September 2022 and of the Group's loss 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 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Group 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 director's 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 Group's or the parent 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 director with respect to going concern are described in the relevant sections of this report.



Independent auditor's report to the members of Aspire Wellbeing Limited (continued)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The director is 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.

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 group strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the group strategic report and the director's 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 Group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the group strategic report or the director's 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's 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 director's responsibilities statement set out on page 3, the director is 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 director determines 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 director is responsible for assessing the Group's and the parent 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 director either intends to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.



Independent auditor's report to the members of Aspire Wellbeing Limited (continued)

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 Group 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 identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the directors and other management (as required by Auditing Standards) and from inspection of the company's legal correspondence and we discussed with the directors and other management the policies and procedures in place regarding compliance with laws and regulations. We have communicated identified laws and throughout our audit team and remained alert to any indications of non-compliance throughout the audit.

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

Secondly, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines and litigation. We identified the following areas as those most likely to have such an effect; health and safety, employment law, data protection and certain aspects of company legislation, recognising the nature of the company's activities. Auditing Standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Through these procedures, we did not become aware of any actual or suspected non-compliance material to the financial statements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor's report.



Independent auditor's report to the members of Aspire Wellbeing 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 those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'm. morris'.

Michael Morris FCA FCCA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne

29 June 2023

Aspire Wellbeing Limited

Consolidated statement of comprehensive income Year ended 30 September 2022

	Note	2022 £	2021 £
Turnover	5	11,118,336	13,304,149
Cost of sales		(8,989,079)	(11,216,380)
Gross profit		2,129,257	2,087,769
Administrative expenses		(2,392,944)	(2,258,424)
Exceptional administrative expenses		-	(118,292)
Other operating income	6	214,728	672,935
Operating (loss)/profit	7	(48,959)	383,988
Interest receivable and similar income	10	6,420	7,479
Interest payable and similar expenses	11	(191,555)	(164,880)
(Loss)/profit before taxation		(234,094)	226,587
Tax on (loss)/profit	12	90,735	(413,675)
Loss for the financial year		(143,359)	(187,088)
Unrealised deficit on revaluation of tangible fixed assets		(721,629)	-
Deferred tax on revaluation of tangible fixed assets		(85,961)	-
Other comprehensive income for the year		(807,590)	-
Total comprehensive income for the year		(950,949)	(163,149)
(Loss) for the year attributable to:			
Non-controlling interests		-	(8,907)
Owners of the parent company		(143,359)	(178,181)
		(143,359)	(187,088)
Total comprehensive income for the year attributable to:			
Non-controlling interest		-	(8,907)
Owners of the parent company		(950,949)	(178,181)
		(950,949)	(187,088)

The notes on pages 17 to 39 form part of these financial statements.

Aspire Wellbeing Limited

Consolidated balance sheet At 30 September 2022

	Note	2022 £	2021 £
Fixed assets			
Goodwill	14	1,025,038	1,465,728
Negative goodwill	14	(226,127)	(281,970)
Intangible assets	14	12,000	-
Tangible assets	15	9,777,294	10,770,430
Investments	16	20,100	20,100
Investment property	17	1,330,000	1,330,000
		11,938,305	13,304,288
Current assets			
Stocks	18	54,286	55,908
Debtors	19	3,435,849	3,069,378
Cash at bank and in hand	20	555,541	1,061,867
		4,045,676	4,187,153
Creditors: amounts falling due within one year	21	(3,438,743)	(3,478,331)
Net current assets		606,933	708,822
Total assets less current liabilities		12,545,238	14,013,110
Creditors: amounts falling due after more than one year	22	(6,006,484)	(6,470,110)
Provisions for liabilities			
Deferred taxation	25	(1,288,760)	(1,342,057)
Net assets		5,249,994	6,200,943

Aspire Wellbeing Limited

Consolidated balance sheet (continued) At 30 September 2022

	Note	2022 £	2021 £
Capital and reserves			
Called up share capital	26	250	250
Revaluation reserve	27	3,807,697	4,615,287
Merger reserve	27	44,991	44,991
Profit and loss account	27	1,397,056	1,540,415
Equity attributable to owners of the parent company		5,249,994	6,200,943
Shareholders' funds		5,249,994	6,200,943

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 June 2023.



A Puri
Director

Company registered number: 11841969

The notes on pages 17 to 39 form part of these financial statements.

Aspire Wellbeing Limited

Company balance sheet At 30 September 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	14	12,000	-
Tangible assets	15	282,181	299,092
Investments	16	1,464,133	1,464,133
		<u>1,758,314</u>	<u>1,763,225</u>
Current assets			
Debtors	19	2,474,476	2,502,264
Cash at bank and in hand	20	72,586	59,257
		<u>2,547,062</u>	<u>2,561,521</u>
Creditors: amounts falling due within one year	21	(276,141)	(171,504)
Net current assets		<u>2,270,921</u>	<u>2,390,017</u>
Total assets less current liabilities		<u>4,029,235</u>	<u>4,153,242</u>
Creditors: amounts falling due after more than one year	22	(4,744,036)	(4,517,850)
Provisions for liabilities			
Deferred taxation	25	(7,428)	(39,770)
Net liabilities		<u>(722,229)</u>	<u>(404,378)</u>
Capital and reserves			
Called up share capital	26	250	250
Profit and loss account brought forward		(404,628)	(246,977)
Loss for the year		(317,851)	(157,651)
Profit and loss account carried forward		<u>(722,479)</u>	<u>(404,628)</u>
Shareholders' deficit		<u>(722,229)</u>	<u>(404,378)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 June 2023.


A Puri
Director

Aspire Wellbeing Limited

Consolidated statement of changes in equity Year ended 30 September 2022

	Called up share capital £	Revaluation reserve £	Merger reserve £	Profit and loss account £	Equity attributable to owners of parent company £	Non- controlling interests £	Total equity £
At 1 October 2020	250	4,615,287	44,991	1,870,103	6,530,631	(142,600)	6,388,031
Loss and total comprehensive expense for the year	-	-	-	(178,181)	(178,181)	(8,907)	(187,088)
Acquisition of remaining Non- controlling interests	-	-	-	(151,507)	(151,507)	151,507	-
At 1 October 2021	250	4,615,287	44,991	1,540,415	6,200,943	-	6,200,943
Loss for the year	-	-	-	(143,359)	(143,359)	-	(143,359)
Deficit on revaluation of freehold property	-	(721,629)	-	-	(721,629)	-	(721,629)
Deferred tax on revaluation of freehold property	-	(85,961)	-	-	(85,961)	-	(85,961)
Total comprehensive loss for the year	-	(807,590)	-	(143,359)	(950,949)	-	(950,949)
At 30 September 2022	250	3,807,697	44,991	1,397,056	5,249,994	-	5,249,994

The notes on pages 17 to 39 form part of these financial statements.

Aspire Wellbeing Limited

Company statement of changes in equity Year ended 30 September 2022

	Called up share capital £	Profit and loss account £	Total equity £
At 1 October 2020	250	(246,977)	(246,727)
Loss and total comprehensive expense for the year	-	(157,651)	(157,651)
At 1 October 2021	250	(404,628)	(404,378)
Loss and total comprehensive expense for the year	-	(317,851)	(317,851)
At 30 September 2022	250	(722,479)	(722,229)

The notes on pages 17 to 39 form part of these financial statements.

Aspire Wellbeing Limited

Consolidated statement of cash flows Year ended 30 September 2022

	2022 £	2021 £
Cash flows from operating activities		
Loss for the financial year	(143,359)	(187,088)
Adjustments for:		
Amortisation and impairment of intangible assets	384,847	382,767
Depreciation of tangible assets	328,979	344,611
Profit on disposal of tangible fixed assets	-	(13,219)
Interest payable	191,555	164,880
Interest receivable	(6,420)	(7,479)
Taxation (credit)/charge	(90,735)	413,675
Decrease in stocks	1,622	2,852,183
Increase in debtors	(366,471)	(673,776)
Increase/(decrease) in creditors	71,828	(803,321)
Corporation tax paid	(138,574)	(373,870)
Net cash generated from operating activities	233,272	2,099,363
Cash flows from investing activities		
Purchase of intangible fixed assets	(12,000)	-
Proceeds from sale of intangible and tangible fixed assets	-	37,515
Purchase of tangible fixed assets	(10,580)	(403,308)
Interest received	6,420	7,479
HP interest paid	(417)	(391)
Net cash from investing activities	(16,577)	(358,705)

Aspire Wellbeing Limited

Consolidated statement of cash flows (continued) Year ended 30 September 2022

	2022 £	2021 £
Cash flows from financing activities		
Repayment of loans	(458,125)	(416,875)
Repayment of other loans	-	(680,581)
Repayment of finance leases	(84,094)	(25,773)
Interest paid	(191,138)	(164,489)
Loans due from/repaid to directors	10,336	(953,069)
Net cash used in financing activities	(723,021)	(2,240,787)
Net (decrease) in cash and cash equivalents	(506,326)	(500,129)
Cash and cash equivalents at beginning of year	1,061,867	1,561,996
Cash and cash equivalents at the end of year	555,541	1,061,867
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	555,541	1,061,867
	555,541	1,061,867

The notes on pages 17 to 39 form part of these financial statements.

Aspire Wellbeing Limited

Consolidated analysis of net debt Year ended 30 September 2022

	At 1 October 2021 £	Cash flows £	New finance leases £	At 30 September 2022 £
Cash at bank and in hand	1,061,867	(506,326)	-	555,541
Debt due after 1 year	(6,230,208)	437,500	-	(5,792,708)
Debt due within 1 year	(769,194)	3,850	-	(765,344)
Finance leases	(76,916)	84,094	(46,892)	(39,714)
	<u>(6,014,451)</u>	<u>19,118</u>	<u>(46,892)</u>	<u>(6,042,225)</u>

The notes on pages 17 to 39 form part of these financial statements.

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

1. General information

Aspire Wellbeing Limited ('the company') and its subsidiaries (together 'the group') are engaged in the sale of houses, provision of pharmaceutical services and running of care homes.

The company is a private company limited by shares, incorporated and domiciled in the United Kingdom and registered in England. The address of the registered office is given in the company information page of these financial statements.

2. Statement of compliance

The financial statements have been prepared in accordance with United Kingdom Accounting Standards, including *Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland'* ('FRS 102') and the Companies Act 2006.

3. Accounting policies

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

3.1 Basis of preparation of financial statements

These financial statements comprise the consolidated (group) financial statements and the company's separate financial statements. However, as permitted by section 408 of the Companies Act 2006, the separate profit and loss account of the company is not presented.

The financial statements are prepared on a going concern basis and under the historical cost convention modified to include investment and freehold properties at fair value. They are presented in pounds sterling and rounded to the nearest £.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

3.2 Reduced disclosure

FRS 102 allows a qualifying entity certain disclosure exemptions. The company meets the definition of a qualifying entity in respect of its separate (non-group) financial statements and has taken advantage of the exemptions relating to preparation of a cash flow statement and remuneration of key management personnel. The equivalent disclosures, on a consolidated basis, are included in the consolidated financial statements.

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

3. Accounting policies (continued)

3.3 Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings as if they formed a single entity. Intercompany transactions and balances are therefore eliminated in full.

The group was created on 18 July 2019 when the company purchased Applegarth Healthcare Limited forming a small group. Subsequently on 30 September 2019, the company acquired Aspire Healthcare Limited and its subsidiary undertakings, High Point View Limited and Next Opportunity Limited, via a share-for-share exchange, to effect a group reconstruction. The group reconstruction met the conditions required to apply merger accounting. Consequently, the combining group's assets and liabilities were brought into the consolidated financial statements at their book values (i.e. without adjustments to fair value). Also, the combining group's results and cash flow were brought into the consolidated financial statements from the beginning of the financial year in which the group reconstruction occurred, and comparative (prior year) information for all the combining entities was also presented. Thus the consolidated financial statements show the combined companies' results and financial position as if they had always been a group. Adjustments are made, if required, to achieve uniformity of accounting policies used by the combining entities.

The difference between the nominal value of the shares issued plus the fair value of any consideration given, and the nominal value of the shares received in exchange, plus any existing balance on the share premium account and capital redemption reserve of the acquired subsidiaries is recorded in the merger reserve; no goodwill is recorded.

The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed.

Business combinations, other than those noted above, are accounted for under the purchase method, under which the acquiree's identifiable assets (including intangible assets), liabilities and contingent liabilities are recognised initially in the consolidated balance sheet at fair value.

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

3. Accounting policies (continued)

3.4 Going concern

In determining the appropriate basis of preparation of the financial statements, the director is required to consider whether the group can continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of signing of these financial statements. The director has performed this assessment and has prepared the financial statements on a going concern basis which is considered appropriate for this group and its trading subsidiary for the following reasons.

For the year ended 30 September 2022, the group made a loss after tax of £143,359 with a loss after tax of £187,088 being made for the year ended 30 September 2021. As at 30 September 2022, the net assets were £5,249,994 compared to £6,200,943 at 30 September 2021.

The director has prepared group forecasts for a period in excess of 12 months from the date of their approval of these financial statements. The forecasts are based on their current best estimate of occupancy, staffing levels and overheads which include assumptions for inflation. These demonstrate that the group can maintain positive cash inflows and maintain sufficient headroom to operate with its current group facilities.

The director has considered the uncertainties in relation to the current economy and are relying on certain key elements and assumptions to support the going concern basis of preparation as follows.

- Occupancy rates will start to rise again;
- There will continue to be demand for vacant beds;
- Recoverability of debt will not become an issue;
- Maintenance of the supply chain;
- Funding and facilities in place will continue to be available.

Whilst some level of future uncertainty remains, the director has adopted measures and assessed the financial implications of associated factors outside of their control and consider that it is appropriate to prepare the financial statements on a going concern basis. The director agrees that the sector brings a unique degree of uncertainty that may have future going concern implications, but they remain confident in the future given the resources and sector knowledge they have.

3.5 Revenue

Turnover

Turnover comprises revenue recognised in respect of goods supplied during the year, net of discounts and excluding Value Added Tax. Turnover is recognised on delivery of goods on provision of services.

Government grants

Government grants are recognised on the accruals basis. Grants relating to assets are recognised in the profit and loss account over the expected life of the asset. Other grants are recognised in the profit and loss account over the period in which the related costs are recognised. Grant monies received but deferred to future periods are included on the balance sheet within creditors.

Interest income

Interest income is recognised on an accruals basis.

3.6 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the group but are presented separately due to their size or incidence.

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

3. Accounting policies (continued)

3.7 Finance costs

Finance costs are charged to the profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3.8 Leases

Assets held under finance leases and hire purchase contracts, which confer rights and obligations on the group similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future lease obligations are recorded as liabilities, and the interest elements are charge to the profit and loss account over the period of the leases to produce a constant periodic rate of charge on the remaining balance of the liability.

Leases that do not confer rights and obligations approximating to ownership are classified as operating leases. Rental payments under operating leases are charged to the profit and loss account on a straight-line basis over the lease term, even if payments are not made on such a basis.

3.9 Employee benefits

Short-term benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits are recognised as an expense in the period in which the employee's entitlement to the benefit accrues.

Defined contribution pension plan

The group operates a defined contribution pension plan for its employees. Contributions are recognised as an expense when they fall due. Amounts due but not yet paid are included within creditors on the balance sheet.

3.10 Dividends

Dividends and other distributions to the group's members are recognised when they become legally payable.

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

3. Accounting policies (continued)

3.11 Current and deferred taxation

The taxation expense for the year comprises current and deferred tax and is recognised in the profit and loss account except to the extent that it relates to items recognised in other comprehensive income, or directly in equity, in which case the tax expense is also recognised in other comprehensive income or directly in equity.

Current tax is the amount of income tax payable in respect of the taxable profit for the current or past reporting periods. It is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods, and arises from 'timing differences' (where transactions or events are included in the financial statements in periods different from those in which they are assessed for tax). Deferred tax is recognised in respect of all timing differences, except that unrelieved tax losses and other deferred tax assets are recognised only to the extent that 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 balance sheet date that are expected to apply to the reversal of the timing differences.

3.12 Intangible assets

Goodwill

Goodwill is stated at cost less accumulated amortisation and accumulated impairment losses. Goodwill is allocated to cash generating units or group of cash generating units that are expected to benefit from the synergies of the business combination from which it arose.

Amortisation is provided on all intangible assets so as to write off the cost of an asset over its estimated useful life as follows:

Goodwill	- 10 years straight line
----------	--------------------------

Intangible assets are reviewed for impairment where market conditions or other factors indicate a reduction in future economic benefits. Impairment losses are expensed to the profit and loss account.

Negative goodwill

Negative goodwill arising on business combinations in respect of acquisitions is included on the balance sheet and released to the profit and loss account in the period in which the non-monetary assets arising on the same acquisition are recovered. Any excess exceeding the fair value of non-monetary assets acquired shall be recognised in profit or loss in the periods expected to benefit.

Negative goodwill	- 10 years straight line
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Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

3. Accounting policies (continued)

3.13 Tangible fixed assets

Tangible fixed assets (excluding freehold property) are stated at cost, less accumulated depreciation and accumulated impairment losses.

Freehold property is stated at fair value less any subsequent accumulated depreciation and impairment losses. Gains on revaluation are recognised in other comprehensive income and accumulated in the revaluation reserve.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost or valuation of fixed assets, over their estimated useful lives as follows:

Freehold property	-	2% straight line
Plant and machinery	-	20% reducing balance
Fixtures and fittings	-	15-25% reducing balance
Motor vehicles	-	25% straight line or 25% reducing balance
Computer equipment	-	25-33% straight line

Asset residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

Freehold property

Freehold property is stated at fair value less any subsequent accumulated depreciation and impairment losses. Gains on revaluation are recognised in other comprehensive income and accumulated in the revaluation reserve.

However, the increase is recognised in the profit or loss to the extent that it reverses a revaluation decrease previously recognised in profit or loss. Losses arising on revaluation are recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity, in respect of that asset. Any excess is recognised in the profit or loss.

3.14 Investment property

Investment properties are measured at fair value at each reporting date, with any changes in fair value recognised in the profit and loss account. Investment properties are not depreciated.

3.15 Fixed asset investments

In the company balance sheet, investments in subsidiary undertakings are measured at cost less accumulated impairment losses.

Other investments held as fixed assets are shown at cost less accumulated impairment losses.

3.16 Stocks

Stocks are stated at the lower of cost or estimated selling price less costs to complete and sell. Cost is determined using the FIFO method and includes the purchase price (including taxes and duties) and transport and handling costs directly attributable to bringing the stock to its present location.

3.17 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits held at call with banks.

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

3. Accounting policies (continued)

3.18 Financial instruments

The group only enters into financial instruments transactions that result in the recognition of basic debt financial assets and liabilities like trade and other accounts receivable and payable, cash and bank balances, bank loans and loans to or from related parties, including fellow group companies.

Debt instruments due within one year are measured, initially and subsequently at the transaction price. Debt instruments due after more than one year are measured initially at the transaction price and subsequently at amortised cost using the effective interest method.

At the end of each reporting period debt financial assets are assessed for impairment, and their carrying value reduced if necessary. Any impairment charge is recognised in the profit and loss account.

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

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

Significant judgments in applying the entity's accounting policies

In preparing these financial statements the directors do not consider there were any significant areas of judgment that were required in applying the group's accounting policies as set out above.

Key sources of estimation uncertainty

The most significant estimate made in these financial statements relates to the valuation of freehold property and in investment property (see notes 15 and 17).

Other estimates included within these financial statements include depreciation and amortisation charges, and asset impairments (for example provisions against goodwill, debtors and stock). None of the estimates made in the preparation of these financial statements are considered to carry significant estimation uncertainty, nor to bear significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5. Turnover

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

	2022 £	2021 £
Care home services	9,478,484	8,996,008
Property sales	57,750	2,945,104
Property development	425,500	266,000
Pharmaceutical services	1,156,602	1,097,037
	<u>11,118,336</u>	<u>13,304,149</u>

All turnover arose within the United Kingdom.

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

6. Other operating income

	2022 £	2021 £
Other operating income	(31,698)	295,431
Net rents receivable	92,886	85,609
Government grants receivable	153,540	291,895
	<u>214,728</u>	<u>672,935</u>

7. Operating loss

The operating loss is stated after charging/(crediting):

	2022 £	2021 £
Amortisation and impairment of intangible fixed assets (included within administrative expenses)	384,847	382,767
Depreciation of tangible fixed assets (included within administrative expenses)	328,979	344,611
Other operating lease rentals	25,366	11,346
Profit on sale of tangible fixed assets	-	(13,219)
Auditors remuneration	33,500	37,500

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

8. Employees

Staff costs, including director's remuneration, were as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	7,079,105	6,583,063	317,424	264,603
Social security costs	596,947	514,518	-	-
Cost of defined contribution pension scheme	109,702	102,809	-	-
	7,785,754	7,200,390	317,424	264,603

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

	Group 2022 No.	Group 2021 No.	Company 2022 No.	Company 2021 No.
Directors	1	1	1	1
Administration	8	6	-	-
Management	19	22	-	-
Operations	277	292	-	-
	305	321	1	1

9. Director's remuneration

During the year retirement benefits were accruing to no directors (2021: nil) in respect of defined contribution pension schemes.

10. Interest receivable

	2022 £	2021 £
Interest receivable from related parties	6,000	6,000
Other interest receivable	420	1,479
	6,420	7,479

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

11. Interest payable and similar expenses

	2022 £	2021 £
Bank interest payable	190,753	164,489
Loans from group undertakings	385	-
Finance leases and hire purchase contracts	417	391
	<u>191,555</u>	<u>164,880</u>

12. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	53,643	141,744
Adjustments in respect of previous periods	(5,120)	(56,705)
Total current tax	<u>48,523</u>	<u>85,039</u>
Deferred tax		
Origination and reversal of timing differences	(112,386)	318,274
Changes to tax rates	(26,872)	10,362
Total deferred tax	<u>(139,258)</u>	<u>328,636</u>
Taxation on profit on ordinary activities	<u>(90,735)</u>	<u>413,675</u>

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
(Loss)/profit on ordinary activities before tax	(234,094)	226,587
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(44,478)	43,052
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	-	(8,438)
Expenses not deductible for tax purposes	69,608	40,661
Utilisation of tax losses	-	21,109
Adjustments to tax charge in respect of prior periods	(31,991)	(46,345)
Origination and reversal of timing differences	(23,106)	-
Changes to tax rates	(26,973)	319,170
Benefits of superdeduction	(4,035)	-
Other differences leading to an increase (decrease) in the tax charge	-	(2,902)
Group relief	(25,212)	47,368
Impact of prior year restatement	-	(4,548)
Total tax charge for the year	(86,187)	409,127

Factors that may affect future tax charges

The rate of corporation tax in the UK throughout the period was 19% and this was the enacted rate of corporation tax at the balance sheet date. Accordingly, the company's profits for this period are taxed at an effective rate of 19% and closing deferred taxation has been calculated based on a rate of 25% (2020: 19%) to reflect the government announced that the main rate of UK corporation tax will increase to 25% from 1 April 2023.

13. Exceptional items

	2022 £	2021 £
Settlement of subsidiary directors loan account	-	118,292

Exceptional items in the year ended 30 September 2021 represent costs associated with the buy out of the previous director and shareholder of Simpill Limited.

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

14. Intangible assets

Group

	Assets under construction £	Goodwill £	Negative goodwill £	Total £
Cost				
At 1 October 2021	-	3,656,502	(558,425)	3,098,077
Additions	12,000	-	-	12,000
At 30 September 2022	12,000	3,656,502	(558,425)	3,110,077
Amortisation				
At 1 October 2021	-	2,190,774	(276,455)	1,914,319
Charge for the year	-	440,690	(55,843)	384,847
At 30 September 2022	-	2,631,464	(332,298)	2,299,166
Net book value				
At 30 September 2022	12,000	1,025,038	(226,127)	810,911
At 30 September 2021	-	1,465,728	(281,970)	1,183,758

£2.5m of goodwill is based on a 2019 valuation undertaken by Lambert Smith Hampton, an external valuer.

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

14. Intangible assets (continued)

Company

	Assets under construction £
Cost	
Additions	12,000
At 30 September 2022	<u>12,000</u>
Net book value	
At 30 September 2022	<u>12,000</u>
At 30 September 2021	<u>-</u>

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

15. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Other fixed assets £	Total £
Cost or valuation							
At 1 October 2021	11,076,625	131,749	207,091	840,800	30,891	68,185	12,355,341
Additions	-	-	47,248	7,441	2,783	-	57,472
Revaluations	(1,287,500)	-	-	-	-	-	(1,287,500)
At 30 September 2022	<u>9,789,125</u>	<u>131,749</u>	<u>254,339</u>	<u>848,241</u>	<u>33,674</u>	<u>68,185</u>	<u>11,125,313</u>
Depreciation							
At 1 October 2021	897,748	95,394	96,112	471,652	19,206	4,799	1,584,911
Charge for the year	210,803	6,853	45,262	59,332	4,565	2,164	328,979
On revalued assets	(565,871)	-	-	-	-	-	(565,871)
At 30 September 2022	<u>542,680</u>	<u>102,247</u>	<u>141,374</u>	<u>530,984</u>	<u>23,771</u>	<u>6,963</u>	<u>1,348,019</u>
Net book value							
At 30 September 2022	<u>9,246,445</u>	<u>29,502</u>	<u>112,965</u>	<u>317,257</u>	<u>9,903</u>	<u>61,222</u>	<u>9,777,294</u>
At 30 September 2021	<u>10,178,877</u>	<u>36,355</u>	<u>110,979</u>	<u>369,148</u>	<u>11,685</u>	<u>63,386</u>	<u>10,770,430</u>

The 2022 valuation was made by Lambert Smith Hampton, independent commercial property consultants. The valuation had an effective date of 30 April 2022 and was prepared on the basis of fair market value. The remainder is based on a 2014 valuation undertaken by Edward Symmons LLP an external valuer. All of the freehold property is valued on an open market basis as fully operational units having regard to trading potential.

The historical cost of investment property and freehold property is £5,875,117 (2021: £5,875,117).

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

15. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2022 £	2021 £
Motor vehicles	<u>104,269</u>	<u>74,805</u>

Company

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Other fixed assets £	Total £
Cost						
At 1 October 2021	251,115	37,779	990	15,669	3,480	309,033
Additions	-	-	-	2,783	-	2,783
At 30 September 2022	<u>251,115</u>	<u>37,779</u>	<u>990</u>	<u>18,452</u>	<u>3,480</u>	<u>311,816</u>
Depreciation						
At 1 October 2021	3,316	52	396	5,132	1,045	9,941
Charge for the year	5,022	9,445	247	4,110	870	19,694
At 30 September 2022	<u>8,338</u>	<u>9,497</u>	<u>643</u>	<u>9,242</u>	<u>1,915</u>	<u>29,635</u>
Net book value						
At 30 September 2022	<u>242,777</u>	<u>28,282</u>	<u>347</u>	<u>9,210</u>	<u>1,565</u>	<u>282,181</u>
At 30 September 2021	<u>247,799</u>	<u>37,727</u>	<u>594</u>	<u>10,537</u>	<u>2,435</u>	<u>299,092</u>

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

16. Fixed asset investments

Group

	Unlisted investments £
Cost	
At 1 October 2021 and 30 September 2022	20,100

Company

	Investments in subsidiary companies £	Unlisted investments £	Total £
Cost			
At 1 October 2021 and 30 September 2022	1,444,033	20,100	1,464,133

Direct subsidiary undertakings

The following were direct subsidiary undertakings of the company:

Name	Registered office	Class of shares	Holding
Applegarth Healthcare Limited	Waterloo House, Thornton Street, Newcastle Upon Tyne, NE1 4AP	Ordinary	100%
Aspire Healthcare Limited	Waterloo House, Thornton Street, Newcastle Upon Tyne, NE1 4AP	Ordinary	100%
Simpill Ltd	Waterloo House, Thornton Street, Newcastle Upon Tyne, NE1 4AP	Ordinary	100%
Nex Opportunity Limited	Waterloo House, Thornton Street, Newcastle Upon Tyne, NE1 4AP	Ordinary	100%

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

16. Fixed asset investments (continued)

Indirect subsidiary undertaking

The following was an indirect subsidiary undertaking of the company:

Name	Registered office	Class of shares	Holding
High Point View Limited	Harelands Court Moor Road, Melsonby Richmond DL10 5NY	Ordinary	100%

Under section 479A of the Companies Act 2006, Aspire Wellbeing has provided parental guarantee for the following subsidiary companies entitling them to exemption from audit for the year to 30 September 2022:

High Point View Limited, registered number: 09495363
Simpill Ltd, registered number: 08207278
Next Opportunity Limited, registered number: 08922598.

17. Investment property

Group

	Freehold investment property £
Valuation	
At 1 October 2021 and 30 September 2022	1,330,000

The investment property has been valued on an open market basis by the director as at the year end. The valuations are based on rental yields.

The historical cost of investment property and freehold property is £5,875,117 (2021: £5,875,117).

18. Stocks

	Group 2022 £	Group 2021 £
Finished goods and goods for resale	54,286	55,908

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

19. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	2,214,718	2,322,434	-	-
Amounts owed by group undertakings	-	-	2,411,506	2,478,583
Amounts owed by related undertakings	204,580	339,180	570	2,400
Other debtors	95,522	79,226	8,236	11,024
Called up share capital not paid	1	1	1	1
Prepayments and accrued income	921,028	328,537	54,163	10,256
	3,435,849	3,069,378	2,474,476	2,502,264

Trade debtors are stated after provisions for impairment of £227,758 (2021: £334,317). The impairment charge for the year, included within administrative expenses totalled £11 (2021: £nil).

Amounts owed by group undertakings include £2,203,718 (2021: £2,304,858) owing from Applegarth Healthcare Limited, a direct subsidiary, which is unsecured and attracts interest at 6.5% (2021: 3%).

20. Cash and cash equivalents

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	555,541	1,061,867	72,586	59,257

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

21. Creditors: amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans (note 23)	437,500	458,125	-	-
Trade creditors	671,595	658,207	55,231	13,947
Amounts owed to group undertakings	-	-	27,995	27,274
Amounts owed to associates	85,760	42,560	85,760	42,560
Amounts owed to other participating interests	38	38	-	-
Corporation tax	58,954	149,005	-	-
Other taxation and social security	195,878	255,397	6,508	5,358
Obligations under finance lease and hire purchase contracts	25,938	37,014	5,963	5,693
Other creditors	770,674	730,455	4,481	688
Accruals and deferred income	1,192,406	1,147,530	90,203	75,984
	3,438,743	3,478,331	276,141	171,504

Included within other creditors is an amount of £313,725 (2021: £303,389) owing to the director. The amount is interest free and repayable on demand.

Amounts owing to group undertakings are interest free and repayable on demand.

Amounts due under finance leases are secured over the vehicles to which they relate.

22. Creditors: amounts falling due after more than one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans (note 23)	5,792,708	6,230,208	-	-
Net obligations under finance leases and hire purchase contracts	13,776	39,902	5,964	12,197
Amounts owed to group undertakings	-	-	4,738,072	4,505,653
Accruals and deferred income	200,000	200,000	-	-
	6,006,484	6,470,110	4,744,036	4,517,850

Amounts owed to group undertakings include £4,669,250 (2021: £4,505,653) owing to Aspire Healthcare Limited, a direct subsidiary in the year, which is unsecured and attracts interest at 6.5% (2021: 3%).

Amounts due under finance leases are secured over the vehicles to which they relate.

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

23. Loans

Analysis of the maturity of loans is given below:

	Group 2022 £	Group 2021 £
Amounts falling due within one year		
Bank loans	437,500	458,125
Amounts falling due 1-2 years		
Bank loans	3,255,833	437,500
Amounts falling due 2-5 years		
Bank loans	2,536,875	5,792,708
	6,230,208	6,688,333

Bank loans represent 2 loans which are secured over the assets of the group.

Loan 1 - Accrues interest at LIBOR plus 2.01%, is repayable in 107 monthly instalments of £20,625 followed by a final instalment of £2,495,625 due December 2024. This loan commenced in December 2014.

Loan 2 - Accrues interest at LIBOR plus 2.33%, is repayable in 47 monthly instalments of £15,833 followed by a final instalment of £2,865,833 due July 2024. This loan commenced in July 2019.

24. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Within one year	27,686	39,377	6,380	6,380
Between 1-5 years	14,142	41,264	6,110	12,761
Interest	(2,114)	(3,725)	(563)	(1,251)
	39,714	76,916	11,927	17,890

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

25. Deferred taxation

Group

	2022 £
At beginning of year	(1,342,057)
Charged to profit or loss	139,258
Charged to other comprehensive income	(85,961)
At end of year	(1,288,760)

Company

	2022 £
At beginning of year	(39,770)
Charged to profit or loss	32,342
At end of year	(7,428)

The provision for deferred taxation is made up as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Accelerated capital allowances	(1,295,305)	(1,298,978)	(7,767)	(11,994)
Tax losses carried forward	6,891	(30,892)	-	(27,776)
Short term timing differences	11,841	-	339	-
Other	(12,187)	(12,187)	-	-
	(1,288,760)	(1,342,057)	(7,428)	(39,770)

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

26. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
241 (2021: 241) Ordinary shares of £1.00 each	241	241
9 (2021: 9) A Ordinary shares of £1.00 each	9	9
	<u>250</u>	<u>250</u>

Both ordinary and A ordinary shares rank equally for voting purposes, there are no restrictions on the payment of dividends and the repayment of capital. Shares are non-redeemable.

27. Reserves

Revaluation reserve

Valuation gains and losses on investment property and property held at valuation are recognised in the profit and loss account, then transferred to this reserve (together with the associated deferred tax), since the gains or losses are not distributable until they are realised (i.e. property sold).

When a property is sold, any associated amount held in this reserve is transferred back to the profit and loss reserve.

Any diminutions in property value which are considered to be permanent have an immediate impact on distributable reserves, and are therefore not transferred to this reserve.

Merger Reserve

Merger reserve represents the difference between the value of shares issued by the Company in exchange for the value of shares acquired in respect of the acquisition of subsidiaries accounted for under the pooling-of-interest method.

Profit and loss account

The profit and loss reserve represents cumulative profits and losses, net of dividends paid and other adjustments (e.g. transfers to the revaluation reserve).

28. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £109,702 (2021: £111,689). Contributions totalling £12,530 (2021: £6,992) were payable to the fund at the balance sheet date and are included in creditors.

Aspire Wellbeing Limited

Notes to the financial statements Year ended 30 September 2022

29. Commitments under operating leases

At 30 September 2022 the group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £	Group 2021 £
Not later than 1 year	51,996	50,780
Later than 1 year and not later than 5 years	77,877	116,000
	<u>129,873</u>	<u>166,780</u>

30. Related party transactions

Group

During the year A Puri, a director, advanced £1,007 (2021: £6,331) and was repaid £5,343 (2021: £853,500) leaving a debit balance of £373,139 (2021: £377,475 outstanding) which is included within other creditors due within one year. At the year end within other creditors due within one year there is also an amount totaling £630,254 (2021: £630,254) which also forms part of the directors loan account.

Advances to Key Housing (North East) Limited, of which A Puri is a director, during the year totalled £500 (2021: £31,500) and repayments of £132,590 (2021: £nil) were made. The amounts outstanding at the year end totalled £24,410 (2021: £156,500) and is included within debtors..

31. Controlling party

The ultimate controlling party is A Puri.