

Company registration number: 09714017

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED

31 MARCH 2023

**MITCHELLS HOLDING
LIMITED**



MITCHELLS HOLDING LIMITED

COMPANY INFORMATION

Directors	B. A. Mitchell B. G. Mitchell N. D. Mitchell
Registered number	09714017
Registered office	Ashcombe House 5 The Crescent Leatherhead Surrey KT22 8DY
Independent auditors	David Howard Chartered Accountants & Statutory Auditor 47 Queens Road Weybridge Surrey KT13 9UH

MITCHELLS HOLDING LIMITED

CONTENTS

	Page
Group Strategic Report	1 - 2
Directors' Report	3 - 4
Independent Auditors' Report	5 - 7
Consolidated Statement of Comprehensive Income	8
Consolidated Statement of Financial Position	9
Company Statement of Financial Position	10
Consolidated Statement of Changes in Equity	11 - 12
Company Statement of Changes in Equity	13
Consolidated Statement of Cash Flows	14
Consolidated Analysis of Net Debt	15
Notes to the Financial Statements	16 - 33

MITCHELLS HOLDING LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Business review

The principal activity of the Group during the year was the provision of residential care and supported living.

The Board are extremely proud of our achievements during the year, particularly considering the pressures the previous pandemic has brought. Several very significant developments took place during the past year, in particular the upgrade of Benares formally known Rosetta. This continues our ambition to ensure we provide suitable affordable accommodation that promotes the right level of support at the right time and in the right way to those most in need.

Financial review

Our key KPIs remain occupancy levels and staff costs. During the year our occupancy levels were in the high 90% and staff to turnover is shown below.

Principal risks and uncertainties

The Directors carefully monitor activities and ensure the follow up risks are investigated to successfully deliver our plans.

Our principal risks are failure to:

- Achieve our focus on quality, risk and safety during scale of charge.
- Work in partnership with Health and Social care partners, including commissioners, to integrate to make the best use of collective resources available to us.
- Engage stakeholders and our staff in our continued improvement in staff management and experience.
- Achieve and evidence outgoing compliance with Care Quality Commission.
- Manage our finances effectively in the economic climate and failure to deliver increases in efficiency.
- Respond effectively to the global pandemic to protect our users.

Financial key performance indicators

This has been a year of strong performance for our organisation with improvements in the quality of our services and our environments. We continue to focus on the areas that require more work, including helping people to feel involved in their care planning.

A selection of performance indicators are:

	2023	2022	%
Turnover	£8,397,240	£6,427,441	37.7%
Gross Profit	£3,200,663	£2,653,737	9.8%
Net Profit before tax	£1,668,748	£1,604,826	10.8%
Staff costs to turnover	55.6%	50.8%	

Future developments

Our financial focus remains the long-term financial sustainability of the Group as a partner within the local health and social care sector. We have also undertaken refurbishments of some of our properties and will continue with this policy which will vastly improve our users' facilities and comfort.

MITCHELLS HOLDING LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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

DocuSigned by:

B A Mitchell

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B. A. Mitchell
Director

Date: 12/22/2023

MITCHELLS HOLDING LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The directors present their report and the financial statements for the year ended 31 March 2023.

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgements 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 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £1,505,738 (2022 - £1,267,151).

During the year dividends of £160,984 were declared (2022 - £439,600).

Directors

The directors who served during the year were:

B. A. Mitchell
B. G. Mitchell
N. D. Mitchell

Matters covered in the Group Strategic Report

Information on future developments is covered in the Strategic Report.

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 and the Group'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 and the Group's auditors are aware of that information.

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

MITCHELLS HOLDING LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Auditors

The auditors, David Howard, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

DocuSigned by:

B A Mitchell

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B. A. Mitchell

Director

Date: 12/22/2023

MITCHELLS HOLDING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MITCHELLS HOLDING LIMITED

Opinion

We have audited the financial statements of Mitchells Holding Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2023, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the 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 31 March 2023 and of the Group's 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 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 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 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 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.

MITCHELLS HOLDING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MITCHELLS HOLDING 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 Group 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 Group 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 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 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 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 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 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 directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

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 Group financial statements.

MITCHELLS HOLDING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MITCHELLS HOLDING LIMITED (CONTINUED)

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 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:

The Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant:

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 Auditors' Report.

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 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.

DocuSigned by:

Nicola King

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Nicola King FCA (Senior Statutory Auditor)

for and on behalf of

David Howard

Chartered Accountants

Statutory Auditor

47 Queens Road

Weybridge

Surrey

KT13 9UH

Date: 12/27/2023

MITCHELLS HOLDING LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Turnover	4	8,397,240	6,427,441
Cost of sales		(5,196,577)	(3,773,704)
Gross profit		3,200,663	2,653,737
Administrative expenses		(1,292,700)	(1,108,934)
Other operating income	5	2,500	250,197
Operating profit	6	1,910,463	1,795,000
Interest receivable and similar income		23,817	15,961
Interest payable and similar expenses	9	(265,532)	(206,135)
Profit before taxation		1,668,748	1,604,826
Tax on profit	10	(163,010)	(337,675)
Profit for the year		1,505,738	1,267,151
Profit for the year attributable to:			
Owners of the parent Company		1,505,738	1,267,151
		<u>1,505,738</u>	<u>1,267,151</u>

There were no recognised gains and losses for 2023 or 2022 other than those included in the consolidated statement of comprehensive income.

There was no other comprehensive income for 2023 (2022: £NIL).

The notes on pages 16 to 33 form part of these financial statements.

MITCHELLS HOLDING LIMITED

REGISTERED NUMBER:09714017

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	12	267,357	318,107
Tangible assets	13	7,794,067	7,242,308
		<u>8,061,424</u>	<u>7,560,415</u>
Current assets			
Debtors	15	2,803,105	1,792,160
Cash at bank and in hand	16	38,306	135,206
		<u>2,841,411</u>	<u>1,927,366</u>
Creditors: amounts falling due within one year	17	(1,949,049)	(1,413,691)
Net current assets		<u>892,362</u>	<u>513,675</u>
Total assets less current liabilities		<u>8,953,786</u>	<u>8,074,090</u>
Creditors: amounts falling due after more than one year	18	(3,863,717)	(4,221,446)
Provisions for liabilities			
Deferred taxation	21	-	(107,329)
		<u>-</u>	<u>(107,329)</u>
Net assets		<u>5,090,069</u>	<u>3,745,315</u>
Capital and reserves			
Called up share capital	22	10,000	10,000
Merger reserve	23	(8,998)	(8,998)
Profit and loss account	23	5,089,067	3,744,313
		<u>5,090,069</u>	<u>3,745,315</u>

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

DocuSigned by:

B A Mitchell

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B. A. Mitchell

Director

Date: 12/22/2023

The notes on pages 16 to 33 form part of these financial statements.

MITCHELLS HOLDING LIMITED

REGISTERED NUMBER:09714017

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	7,529,184	7,069,686
Investments	14	10,000	10,000
		<u>7,539,184</u>	<u>7,079,686</u>
Current assets			
Debtors	15	248,961	255,892
Cash at bank and in hand	16	-	21,363
		<u>248,961</u>	<u>277,255</u>
Creditors: amounts falling due within one year	17	(4,315,009)	(3,437,409)
Net current liabilities		<u>(4,066,048)</u>	<u>(3,160,154)</u>
Total assets less current liabilities		<u>3,473,136</u>	<u>3,919,532</u>
Creditors: amounts falling due after more than one year	18	(3,801,836)	(4,103,617)
Provisions for liabilities			
Deferred taxation	21	(114,468)	(117,571)
		<u>(114,468)</u>	<u>(117,571)</u>
Net assets excluding pension asset		<u>(443,168)</u>	<u>(301,656)</u>
Net liabilities		<u>(443,168)</u>	<u>(301,656)</u>
Capital and reserves			
Called up share capital	22	10,000	10,000
Profit and loss account brought forward		(311,656)	(364,685)
Profit for the year		19,472	492,629
Other changes in the profit and loss account		(160,984)	(439,600)
		<u>(453,168)</u>	<u>(311,656)</u>
Profit and loss account carried forward		<u>(443,168)</u>	<u>(301,656)</u>

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

DocuSigned by:

B A Mitchell

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B. A. Mitchell

Director

Date: 12/22/2023

The notes on pages 16 to 33 form part of these financial statements.

MITCHELLS HOLDING LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Called up share capital	Merger reserve	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£	£
At 1 April 2022	10,000	(8,998)	3,744,313	3,745,315	3,745,315
Comprehensive income for the year					
Profit for the year	-	-	1,505,738	1,505,738	1,505,738
Other comprehensive income for the year					
	-	-	-	-	-
Total comprehensive income for the year					
	-	-	1,505,738	1,505,738	1,505,738
Contributions by and distributions to owners					
Dividends: Equity capital	-	-	(160,984)	(160,984)	(160,984)
At 31 March 2023	10,000	(8,998)	5,089,067	5,090,069	5,090,069

The notes on pages 16 to 33 form part of these financial statements.

MITCHELLS HOLDING LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

	Called up share capital	Merger reserve	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£	£
At 1 April 2021	10,000	(8,998)	2,916,762	2,917,764	2,917,764
Comprehensive income for the year					
Profit for the year	-	-	1,267,151	1,267,151	1,267,151
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	1,267,151	1,267,151	1,267,151
Contributions by and distributions to owners					
Dividends: Equity capital	-	-	(439,600)	(439,600)	(439,600)
Total transactions with owners	-	-	(439,600)	(439,600)	(439,600)
At 31 March 2022	10,000	(8,998)	3,744,313	3,745,315	3,745,315

The notes on pages 16 to 33 form part of these financial statements.

MITCHELLS HOLDING LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2021	10,000	(364,685)	(354,685)
Comprehensive income for the year			
Profit for the year	-	492,629	492,629
Contributions by and distributions to owners			
Dividends: Equity capital	-	(439,600)	(439,600)
Total transactions with owners	-	(439,600)	(439,600)
At 1 April 2022	10,000	(311,656)	(301,656)
Comprehensive income for the year			
Profit for the year	-	19,472	19,472
Total comprehensive income for the year	-	19,472	19,472
Contributions by and distributions to owners			
Dividends: Equity capital	-	(160,984)	(160,984)
Total transactions with owners	-	(160,984)	(160,984)
At 31 March 2023	10,000	(453,168)	(443,168)

MITCHELLS HOLDING LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Cash flows from operating activities		
Profit for the financial year	1,505,738	1,267,151
Adjustments for:		
Amortisation of intangible assets	50,750	57,138
Depreciation of tangible assets	167,798	87,744
Loss on disposal of tangible assets	(24,373)	-
Interest paid	249,282	179,299
Taxation charge	(185,377)	337,867
(Increase) in debtors	(931,553)	(669,889)
Increase in creditors	467,874	15,345
Net cash generated from operating activities	1,300,139	1,274,655
Cash flows from investing activities		
Purchase of tangible fixed assets	(581,208)	(305,104)
Sale of tangible fixed assets	(113,976)	18,658
Net cash from investing activities	(695,184)	(286,446)
Cash flows from financing activities		
Repayment of loans	(337,620)	(268,446)
Repayment of other loans	(82,447)	(111,360)
Repayment of/new finance leases	50,649	(44,774)
Dividends paid	(160,984)	(439,600)
Interest paid	(249,282)	(179,299)
Net cash used in financing activities	(779,684)	(1,043,479)
Net (decrease) in cash and cash equivalents	(174,729)	(55,270)
Cash and cash equivalents at beginning of year	135,206	190,476
Cash and cash equivalents at the end of year	(39,523)	135,206
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	38,306	135,206
Bank overdrafts	(77,829)	-
	(39,523)	135,206

MITCHELLS HOLDING LIMITED

CONSOLIDATED ANALYSIS OF NET DEBT FOR THE YEAR ENDED 31 MARCH 2023

	At 1 April 2022 £	Cash flows £	New/ Repayments of loans and finance leases £	At 31 March 2023 £
Cash at bank and in hand	135,206	(96,900)	-	38,306
Bank overdrafts	-	(77,829)	-	(77,829)
Debt due after 1 year	(4,139,456)	337,620	-	(3,801,836)
Debt due within 1 year	(1,369,341)	18,768	-	(1,350,573)
Finance leases	(126,340)	-	(50,649)	(176,989)
	<u>(5,499,931)</u>	<u>181,659</u>	<u>(50,649)</u>	<u>(5,368,921)</u>

MITCHELLS HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information

The company is a private limited company limited by shares and incorporated in England and Wales. The address of the registered office and the Company's registered number is disclosed on the company information page of these financial statements. The principal place of business is Bridgeham Grange, Broadbridge Lane, Smallfield, Surrey, RH6 9RD.

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

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

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Income and Retained Earnings from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 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.

2.4 Revenue

Revenue from provision of care services and domiciliary care is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable including contribution from residents in relation to additional costs incurred in the provision of both care and supported living services.

MITCHELLS HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.5 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	20	years
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2.6 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.

Investment property rented to other group entities and accounted for under the cost model is stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line and reducing basis method.

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
Short-term leasehold property	- 15 years straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% reducing balance

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.

MITCHELLS HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.7 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.8 Financial instruments

The Group has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

The Group has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the Group's Statement of Financial Position when the Group becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

MITCHELLS HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.8 Financial instruments (continued)

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

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

Basic financial liabilities, which include trade and other payables, bank loans, other loans and loans due to fellow group companies are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

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

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Group transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Group will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

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

MITCHELLS HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the Consolidated 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 Group as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.12 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group 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 Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group 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 Group becomes aware of the obligation, and are measured at the best estimate at the reporting 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 Statement of Financial Position.

MITCHELLS HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.14 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 reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 reporting date.

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The main areas of estimation are amortisation of goodwill, provisions for bad and doubtful debts and provisions and contingent liabilities. Further details of these estimations have been set out below.

Management are required to estimate the expected useful economic life of the goodwill of the business based on their commercial knowledge of the business sector. The goodwill is assessed annually for signs of impairment.

The provisions for bad and doubtful debts are based on past experience and expectations of future events.

Provisions are estimated by management based on the information supplied by legal advisers of expected outcomes. Where they are unable to make a reliable estimate due to the level of uncertainty then it remains a disclosed contingent liability.

4. Turnover

The whole of the turnover is attributable to residential care and supported living.

All turnover arose within the United Kingdom.

MITCHELLS HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

5. Other operating income

	2023 £	2022 £
Government grants receivable	2,500	198,076
Insurance claims receivable	-	52,121
	<u>2,500</u>	<u>250,197</u>

6. Operating profit

The operating profit is stated after charging:

	2023 £	2022 £
Depreciation on tangible fixed assets	167,798	56,958
Amortisation	50,750	50,750
Other operating lease rentals	317,683	317,683
Fees payable to the Group auditor and its associates for the audit of the Company's annual financial statements	<u>7,000</u>	<u>8,040</u>

7. Employees

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

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Wages and salaries	4,194,087	2,960,181	199,000	31,500
Social security costs	355,229	235,120	27,211	686
Pension costs	88,711	67,002	-	504
	<u>4,638,027</u>	<u>3,262,303</u>	<u>226,211</u>	<u>32,690</u>

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

	Group 2023 No.	Group 2022 No.	Company 2023 No.	Company 2022 No.
Management	3	3	3	3
Support Staff	-	147	-	-
	<u>3</u>	<u>150</u>	<u>3</u>	<u>3</u>

MITCHELLS HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

8. Directors' remuneration

	2023 £	2022 £
Directors' emoluments	199,000	31,500
Group contributions to defined contribution pension schemes	-	504
	<u>199,000</u>	<u>32,004</u>

During the year retirement benefits were accruing to 1 director (2022 - 1) in respect of defined contribution pension schemes.

9. Interest payable and similar expenses

	2023 £	2022 £
Bank interest payable	258,230	198,129
Finance leases and hire purchase contracts	7,302	8,006
	<u>265,532</u>	<u>206,135</u>

10. Taxation

	2023 £	2022 £
Corporation tax		
Current tax on profits for the year	348,387	297,910
Adjustments in respect of previous periods	1,344	(192)
	<u>349,731</u>	<u>297,718</u>
Total current tax	<u>349,731</u>	<u>297,718</u>
Deferred tax		
Origination and reversal of timing differences	(186,721)	39,957
Total deferred tax	<u>(186,721)</u>	<u>39,957</u>
Taxation on profit on ordinary activities	<u>163,010</u>	<u>337,675</u>

MITCHELLS HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2022 - *higher than*) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	1,668,748	1,604,826
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	317,062	304,917
Effects of:		
Amortisation and depreciation on ineligible assets	81,802	27,241
Other permanent differences	921	1,738
Adjustments to tax charge in respect of prior periods	-	(192,850)
Remeasurement of deferred tax changes in tax rates	16,975	(35,282)
Deferred tax not previously recognised	(253,750)	231,911
Total tax charge for the year	163,010	337,675

MITCHELLS HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

10. Taxation (continued)

Factors that may affect future tax charges

On 3 March 2021 the UK Government announced that from 1 April 2023, the main rate of Corporation Tax on profits over £250,000 will be increased to 25%.

11. Dividends

	2023 £	2022 £
Dividends paid	160,984	439,600
	<u>160,984</u>	<u>439,600</u>

12. Intangible assets

Group

	Goodwill £
Cost	
At 1 April 2022	1,078,879
At 31 March 2023	<u>1,078,879</u>
Amortisation	
At 1 April 2022	760,772
Charge for the year on owned assets	50,750
At 31 March 2023	<u>811,522</u>
Net book value	
At 31 March 2023	<u>267,357</u>
At 31 March 2022	<u>318,107</u>

The company had no intangible assets.

MITCHELLS HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

13. Tangible fixed assets

Group

	Freehold land and property £	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost					
At 1 April 2022	7,828,630	82,318	250,136	232,145	8,393,229
Additions	591,704	-	189,541	-	781,245
Disposals	-	-	(117,956)	-	(117,956)
At 31 March 2023	8,420,334	82,318	321,721	232,145	9,056,518
Depreciation					
At 1 April 2022	758,945	64,106	122,306	205,564	1,150,921
Charge for the year on owned assets	132,206	2,582	30,460	2,550	167,798
Disposals	-	-	(56,268)	-	(56,268)
At 31 March 2023	891,151	66,688	96,498	208,114	1,262,451
Net book value					
At 31 March 2023	7,529,183	15,630	225,223	24,031	7,794,067
At 31 March 2022	7,069,685	18,212	127,830	26,581	7,242,308

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

	2023 £	2022 £
Motor vehicles	225,223	127,830
	225,223	127,830

MITCHELLS HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

13. Tangible fixed assets (continued)

Company

	Freehold land and property £	Motor vehicles £	Total £
Cost			
At 1 April 2022	7,828,630	100	7,828,730
Additions	591,704	-	591,704
At 31 March 2023	8,420,334	100	8,420,434
Depreciation			
At 1 April 2022	758,945	99	759,044
Charge for the year on owned assets	132,206	-	132,206
At 31 March 2023	891,151	99	891,250
Net book value			
At 31 March 2023	7,529,183	1	7,529,184
At 31 March 2022	7,069,685	1	7,069,686

MITCHELLS HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

14. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2022	10,000
At 31 March 2023	10,000

The Group has no investments.

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Mitchell's Care Homes Limited	Ashcombe House, 5 The Crescent, Leatherhead, KT22 8DY	Ordinary	100%
Rowan Housing Limited	Ashcombe House, 5 The Crescent, Leatherhead, KT22 8DY	Ordinary	100%

15. Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Due after more than one year				
Prepayments and accrued income	9,457	9,000	9,457	9,000
	9,457	9,000	9,457	9,000
Due within one year				
Trade debtors	927,435	538,764	-	-
Amounts owed by group undertakings	-	-	239,504	228,379
Other debtors	1,492,396	990,807	-	-
Prepayments and accrued income	94,033	75,939	-	18,513
Tax recoverable	200,392	177,650	-	-
Deferred taxation	79,392	-	-	-
	2,803,105	1,792,160	248,961	255,892

MITCHELLS HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

16. Cash and cash equivalents

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Cash at bank and in hand	38,306	135,206	-	21,363
Less: bank overdrafts	(77,829)	-	(76,716)	-
	<u>(39,523)</u>	<u>135,206</u>	<u>(76,716)</u>	<u>21,363</u>

17. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Bank overdrafts	77,829	-	76,716	-
Bank loans	287,833	287,833	287,833	287,833
Other loans	31,884	114,331	-	-
Trade creditors	50,287	146,972	600	8,142
Amounts owed to group undertakings	-	-	3,901,217	3,091,826
Corporation tax	1,020,864	536,247	18,981	18,981
Other taxation and social security	97,519	62,606	-	-
Obligations under finance lease and hire purchase contracts	115,108	44,350	-	-
Other creditors	50,286	64,280	2,178	2,178
Accruals and deferred income	217,439	157,072	27,484	28,449
	<u>1,949,049</u>	<u>1,413,691</u>	<u>4,315,009</u>	<u>3,437,409</u>

Included in creditors amounts falling due within one year is an amount of £0 (2022: £33,563) which is secured by the directors' personal guarantee.

All bank overdrafts and loans are secured by fixed and floating charges including a legal mortgage on all the freehold properties owned by the Group.

Hire purchase liabilities are secured over the assets financed.

MITCHELLS HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

18. Creditors: Amounts falling due after more than one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Bank loans	3,801,836	4,103,617	3,801,836	4,103,617
Other loans	-	35,839	-	-
Net obligations under finance leases and hire purchase contracts	61,881	81,990	-	-
	<u>3,863,717</u>	<u>4,221,446</u>	<u>3,801,836</u>	<u>4,103,617</u>

Included in creditors amounts falling due after more than one year is an amount of £0 (2022: £7,709) which is secured by the directors' personal guarantee.

All bank overdrafts and loans are secured by fixed and floating charges including a legal mortgage on all the freehold properties owned by the Group.

Hire purchase liabilities are secured over the assets financed.

19. Loans

Analysis of the maturity of loans is given below:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Amounts falling due within one year				
Bank loans	287,833	287,833	287,833	287,833
Other loans	31,884	114,331	-	-
	<u>319,717</u>	<u>402,164</u>	<u>287,833</u>	<u>287,833</u>
Amounts falling due 1-2 years				
Bank loans	3,801,836	237,301	3,801,836	237,301
Other loans	-	35,839	-	-
	<u>3,801,836</u>	<u>273,140</u>	<u>3,801,836</u>	<u>237,301</u>
Amounts falling due 2-5 years				
Bank loans	-	3,866,316	-	3,866,316
	<u>-</u>	<u>3,866,316</u>	<u>-</u>	<u>3,866,316</u>
	<u>4,121,553</u>	<u>4,541,620</u>	<u>4,089,669</u>	<u>4,391,450</u>

The bank loan is subject to interest at 3.75% over SONIA per annum with repayment due in full in March 2025.

MITCHELLS HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

20. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2023 £	Group 2022 £
Within one year	115,108	44,350
Between 1-5 years	61,881	81,990
	<u>176,989</u>	<u>126,340</u>

21. Deferred taxation

Group

	2023 £
At beginning of year	(107,329)
Charged to the profit or loss	186,721
At end of year	<u>79,392</u>

Company

	2023 £
At beginning of year	(117,571)
Charged to profit or loss	3,103
At end of year	<u>(114,468)</u>

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Accelerated capital allowances	77,989	(113,367)	(120,886)	(117,571)
Losses and other deductions	6,418	-	6,418	-
Short term timing differences	(5,015)	6,038	-	-
	<u>79,392</u>	<u>(107,329)</u>	<u>(114,468)</u>	<u>(117,571)</u>

MITCHELLS HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

22. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
10,000 (2022 - 10,000) Ordinary shares of £1.00 each	10,000	10,000

23. Reserves

Merger Reserve

This reserve represents amounts arising from group reconstruction.

Profit and loss account

This reserve records retained earnings and accumulated losses.

24. Contingent liabilities

The Group has given Coutts & Co a cross guarantee in favour of the parent company Mitchells Holdings Limited and its subsidiaries Mitchell's Care Homes Limited and Rowan Housing Limited.

25. Capital commitments

At 31 March 2023 the Group and Company had capital commitments as follows:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Contracted for but not provided in these financial statements	-	70,652	-	70,652
	-	70,652	-	70,652

26. Pension commitments

The Group operates a defined contribution 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 £88,711 (2022: £67,002). At the year end contributions of £31,246 (2022: £24,153) were payable to the fund.

MITCHELLS HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

27. Commitments under operating leases

At 31 March 2023 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2023 £	Group 2022 £
Not later than 1 year	100,198	106,813
Later than 1 year and not later than 5 years	96,256	173,969
	<u>196,454</u>	<u>280,782</u>

The Company had no operating leases.

28. Transactions with the directors

At the balance sheet date the director, B A Mitchell, owed the Group £641,430 (2022: £318,664). Interest has been charged on a market rate basis.

At the balance sheet date the director, N V Mitchell, owed the Group £573,244 (2022: £505,840). Interest has been charged on a market rate basis.

29. Controlling party

The directors are of the opinion that there is no single controlling party.