

COUNTRY COUSINS HOMECARE AGENCIES LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 FEBRUARY 2021 TO 31 MARCH 2022

Country Cousins Homecare Agencies Ltd

Contents

Company Information	<u>1</u>
Balance Sheet	<u>2</u>
Notes to the Financial Statements	<u>3 to 9</u>

Country Cousins Homecare Agencies Ltd

Company Information

Directors	S P Clarke A Needham
Registered office	Suite 5g Gatwick House Peeks Brook Lane Horley England RH6 9ST
Auditors	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

Country Cousins Homecare Agencies Ltd**(Registration number: 12087784)****Balance Sheet as at 31 March 2022**

	Note	31 March 2022 £ 000	31 January 2021 £ 000
Fixed assets			
Intangible assets	<u>4</u>	12,077	13,935
Tangible assets	<u>5</u>	47	41
		<u>12,124</u>	<u>13,976</u>
Current assets			
Debtors	<u>6</u>	481	430
Cash at bank and in hand		<u>398</u>	<u>1,255</u>
		879	1,685
Creditors: Amounts falling due within one year	<u>7</u>	<u>(1,906)</u>	<u>(1,333)</u>
Net current (liabilities)/assets		<u>(1,027)</u>	<u>352</u>
Total assets less current liabilities		11,097	14,328
Creditors: Amounts falling due after more than one year	<u>7</u>	<u>(12,700)</u>	<u>(13,400)</u>
Deferred tax liabilities		<u>(351)</u>	<u>(403)</u>
Net (liabilities)/assets		<u>(1,954)</u>	<u>525</u>
Capital and reserves			
Called up share capital		-	-
Share premium reserve		2,000	2,000
Profit and loss account		<u>(3,954)</u>	<u>(1,475)</u>
Total equity		<u>(1,954)</u>	<u>525</u>

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

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

Approved and authorised by the Board on 31 August 2022 and signed on its behalf by:

S P Clarke
Director

The notes on pages 3 to 9 form an integral part of these financial statements.

Country Cousins Homecare Agencies Ltd

Notes to the Financial Statements for the Period from 1 February 2021 to 31 March 2022

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:
Suite 5g Gatwick House
Peeks Brook Lane
Horley
England
RH6 9ST

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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

Basis of preparation

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

The company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

Name of parent of group

These financial statements are consolidated in the financial statements of PWC Newco Limited.

The financial statements of PWC Newco Limited may be obtained from the company's registered office.

Disclosure of long or short period

The financial statements cover a period of 424 days. The accounting period has been lengthened to align the accounting reference date with that of certain newly acquired group companies.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Judgements and estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as the balance sheet date and the amounts reported for revenues and expenses during the period, that are not readily apparent from other sources. However, the nature of estimation means that actual outcomes may differ from those estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Revenue recognition

Revenue generated from care services arranged or provided is recognised when the care has been provided. Longer care assignments not completed in the period are partially accrued for depending on care delivered in the period. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, value added tax and other sales taxes.

Country Cousins Homecare Agencies Ltd

Notes to the Financial Statements for the Period from 1 February 2021 to 31 March 2022

Tax

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

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

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

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

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

Depreciation

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Computers and other equipment	3 years straight-line

Intangible assets

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Separately acquired trademarks and licences are shown at historical cost.

Trademarks, licences (including software) and customer-related intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks, licences and customer-related intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life. The useful lives of intangible assets are as follows:

Asset class	Amortisation method and rate
Goodwill	10 years
Brand	10 years

Cash and cash equivalents

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

Trade debtors

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

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Country Cousins Homecare Agencies Ltd

Notes to the Financial Statements for the Period from 1 February 2021 to 31 March 2022

Trade creditors

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

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Borrowings

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

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

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

Leases

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

Defined contribution pension obligation

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

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

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Country Cousins Homecare Agencies Ltd

Notes to the Financial Statements for the Period from 1 February 2021 to 31 March 2022

Financial instruments (continued)

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

3 Staff numbers

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

	1 February 2021 to 31 March 2022 No.	Year ended 31 January 2021 No.
Average number of employees	39	27

Country Cousins Homecare Agencies Ltd

Notes to the Financial Statements for the Period from 1 February 2021 to 31 March 2022

4 Intangible assets

	Goodwill £ 000	Brands £ 000	Total £ 000
Cost			
At 1 February 2021 and 31 March 2022	13,492	2,433	15,925
Amortisation			
At 1 February 2021	1,686	304	1,990
Amortisation charge	1,574	284	1,858
At 31 March 2022	3,260	588	3,848
Carrying amount			
At 31 March 2022	10,232	1,845	12,077
At 31 January 2021	11,806	2,129	13,935

5 Tangible assets

	Computers and other equipment £ 000
Cost	
At 1 February 2021	48
Additions	28
At 31 March 2022	76
Depreciation	
At 1 February 2021	7
Charge for the period	22
At 31 March 2022	29
Carrying amount	
At 31 March 2022	47
At 31 January 2021	41

6 Debtors

	31 March 2022 £ 000	31 January 2021 £ 000
Trade debtors	251	325
Other debtors	127	82
Prepayments	103	23
	481	430

Country Cousins Homecare Agencies Ltd

Notes to the Financial Statements for the Period from 1 February 2021 to 31 March 2022

7 Creditors

	Note	31 March 2022 £ 000	31 January 2021 £ 000
Due within one year			
Trade creditors		55	33
Amounts owed to group undertakings		1,448	819
Social security and other taxes		363	329
Other creditors		-	7
Accrued expenses		40	57
Corporation tax liability		-	89
		<u>1,906</u>	<u>1,333</u>
Due after one year			
Loans and borrowings	8	<u>12,700</u>	<u>13,400</u>

8 Loans and borrowings

	31 March 2022 £ 000	31 January 2021 £ 000
Non-current loans and borrowings		
Amounts owed to group undertakings	<u>12,700</u>	<u>13,400</u>

Amounts owed to group undertakings are unsecured. Interest is charged at a rate of 10% per annum and the balance is repayable on 1 March 2026.

9 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the group to the scheme and amounted to £43,519 (2021 - £38,604).

Contributions totalling £nil (2021 - £6,849) were payable to the scheme at the end of the period and are included in creditors.

10 Financial commitments, guarantees and contingencies

The total amount of operating lease commitments not included in the balance sheet is £20,638 (2021 - £45,403).

The company is bound by an intra-group cross guarantee (which is secured over the company's trade and assets) in respect of bank debt with other members of the group headed by PWC Holdco 1 Limited. At 31 March 2022 the amount guaranteed is £35.586m (31 January 2021 - £7.3m).

11 Parent and ultimate parent undertaking

The company's immediate parent is Trinity Homecare Holdings Limited, incorporated in England and Wales.

The ultimate parent is PWC Newco Limited, incorporated in England and Wales.

The most senior parent entity producing publicly available financial statements is PWC Newco Limited. These financial statements are available upon request from the company's registered office.

The ultimate controlling party is Limerston Capital LLP.

Country Cousins Homecare Agencies Ltd

Notes to the Financial Statements for the Period from 1 February 2021 to 31 March 2022

12 Disclosure under Section 444(5B) CA 2006 relating to the independent auditor's report

As permitted by Section 444 CA 2006, these accounts do not contain a copy of the company's Profit and Loss account or a copy of the Directors' Report. Accordingly, the Independent Auditors' Report has also been omitted.

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 31 August 2022 was Simon Worsley, who signed for and on behalf of Hazlewoods LLP.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.