

Company registration number 12741021 (England and Wales)

**BLOOMCARE GROUP LTD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2023**



## **BLOOMCARE GROUP LTD**

### **COMPANY INFORMATION**

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<b>Directors</b>	Mr L Ramos Mrs A Tan-Ramos
<b>Company number</b>	12741021
<b>Registered office</b>	34 Scarisbrick New Road Southport PR8 6QE
<b>Auditor</b>	MHA Richard House 9 Winckley Square Preston PR1 3HP

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## **BLOOMCARE GROUP LTD**

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## **BLOOMCARE GROUP LTD**

### **STRATEGIC REPORT**

**FOR THE YEAR ENDED 31 JULY 2023**

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The directors present the strategic report for the year period ended 31 July 2023.

#### **Principal activities**

The principal activity of the group is that of the operation and provision of special dementia care centres.

The principal activity of the company is that of a parent company of a trading group.

#### **Review of the business**

The group now operates 12 care homes in the northwest (circa 800 bed capacity) and continues to consolidate its position during 2023 and into the future.

Innovation and technology remain at the forefront of Bloomcare Group's priorities, particularly in enhancing the delivery of care services within their Homes. The adoption of key software solutions, such as Team Tailor, exemplifies the company's commitment to talent acquisition and attracting the best professionals within the healthcare sector. Moreover, our organization is actively seeking to enhance our admission procedures by implementing a Customer Relationship Management (CRM) system. This strategic initiative aims to effectively attract a greater number of residents to our residential facilities.

While these investments contribute to the organization's growth and success, Bloomcare Group remains mindful of managing costs effectively and ensuring long-term sustainability.

In pursuing innovation and technology to enhance care services within their Homes, the company has incurred both one-off and ongoing costs and we are expecting this investment to continue for the next financial year.

Despite facing challenges during the financial year, including volatile food and energy prices within the broader economy, Bloomcare Group prepared for the anticipated withdrawal of government support related to Covid-19 which undoubtedly impacted the financial performance. Pleasingly, the group's occupancy rates remain strong, primarily due to our solid reputation and positive word-of-mouth recommendations.

#### **Future developments**

Bloomcare plan to continue to grow through acquisition over the next few years. Historically, the strategy has been to take on 'turnaround' homes and we have proven successful in taking on these difficult prospects and turning them into profit generating homes. We will also see organic growth as the newer acquisitions achieve their target KPIs.

Post year end, the home operated by Bloomcare Greengables Limited has closed.

## **BLOOMCARE GROUP LTD**

### **STRATEGIC REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2023**

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#### **Covid-19 impact**

The increased level of staffing and new ways of working adopted as a result of the Covid-19 outbreak continued during the year. However, as noted, funding from Government was withdrawn in line with a perceived reduction in threat from the disease and consequently profitability has been affected. However, the Group remains committed to maintaining essential measures aimed at minimizing the occurrence of outbreaks and diligently managing the current situation.

#### **Principal risks and uncertainties**

Management continually monitors the key risks facing the group, together with assessing the controls used for managing these risks. The board of directors formally reviews and documents the principal risks facing the business at least annually.

The principal risks and uncertainties facing the group are as follows:

Credit risk - the group's principal financial assets are cash and trade debtors. The credit risk associated with cash is limited. The principal credit risk therefore arises from debtors. The majority of clients provided with credit receive funding from their local councils reducing the likelihood of default.

Liquidity risk - The group seeks to manage liquidity risk by ensuring that sufficient cash resources are available to meet the foreseeable needs.

Interest rate risk - The group finances its operations through a mixture of retained profits and borrowing. The group is exposed to interest rate increases as all borrowings have variable rates of interest. At times of interest rate volatility hedging and/or rate capping is considered.

Competitor pressure - the market in which the group operates is relatively competitive, and therefore competitor pressure could result in losing sales to key competitors. The group manages this risk by maintaining their accreditation for the provision of care under the Community Care Act and marketing the Bloomcare brand to increase awareness across the market.

Loss of key personnel - such personnel are appropriately remunerated to ensure that good performance is recognised and a project to implement succession planning across the business has been undertaken so that there is a clear progression path for all. Each staff member is treated as an individual and their motivations are considered.

#### **Key performance indicators**

Management use a range of performance measures to monitor and manage the business. The KPIs used to determine the progress and performance of the group are set out below.

Turnover – full period of circa £27.5m is an increase of 11% from last year. The majority of this increase is due to growth in average weekly income.,

Gross profit margin – increased slightly from 21% to 23%.

CQC ratings - 5 homes rated "Good", 6 as "Requires Improvement" and 1 "Inadequate". Our quality assurance and improvement program is being led by the newly created position of Director of Care, Quality and Compliance and we look forward to seeing these ratings improve over time.

Labour margin – as last year, due to a national shortage of care workers, agency staffing has been heavily relied upon in our larger homes. We still only work with a select few partners to ensure consistency of care across the Group. There are ongoing recruitment campaigns to alleviate shortages, and as mentioned above, the Group is also expanding its reach by obtaining overseas licenses to recruit nurses, the impacts of which will be realised in future periods.

## **BLOOMCARE GROUP LTD**

### **STRATEGIC REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2023**

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#### **Other information and explanations**

The principal financial instruments comprise bank loans and amounts loaned between group and related undertakings. The main purpose of these instruments is to finance the group's operations and to optimise cash flow.

In respect of bank balances, the liquidity risk is managed by ensuring sufficient cash resources are available to meet foreseeable needs.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to clients and the regular monitoring of amounts outstanding for both time and credit limits. Emphasizing the vital role played by local authorities in securing payment for outstanding fees, our organization is actively prioritizing the relationship between our group and the local authorities our Homes operate in. It is noteworthy that the local authorities bear the primary responsibility for the placement of residents and their care, underscoring the significance of this collaborative partnership.

On behalf of the board

**Mr L Ramos**  
**Director**

26 April 2024

## **BLOOMCARE GROUP LTD**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 31 JULY 2023**

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

#### **Principal activities**

The principal activity of the group is that of the operation and provision of special dementia care centres.

The principal activity of the company is that of a parent company of a trading group.

#### **Results and dividends**

The results for the year are set out on page 10.

Ordinary dividends were paid amounting to £320,000. The directors do not recommend payment of a further dividend.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr L Ramos

Mrs A Tan-Ramos

#### **Disabled persons**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the group continues and that the appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

#### **Employee involvement**

The group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the company's performance.

#### **Auditor**

The auditor, MHA, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### **Strategic report**

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of risk management objectives and policies.

#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

**BLOOMCARE GROUP LTD**

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

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On behalf of the board

**Mr L Ramos**  
**Director**

26 April 2024



## **BLOOMCARE GROUP LTD**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

**FOR THE YEAR ENDED 31 JULY 2023**

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The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and company, 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **BLOOMCARE GROUP LTD**

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBERS OF BLOOMCARE GROUP LTD**

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#### **Opinion**

We have audited the financial statements of Bloomcare Group Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 July 2023 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including 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 the parent company's affairs as at 31 July 2023 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 and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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.

#### **Emphasis of matter**

We draw attention to note 1.4 to the financial statements which describes the group's compliance with banking covenants. Our opinion is not modified in respect of this matter.

#### **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 and 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 auditor's 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.

## **BLOOMCARE GROUP LTD**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF BLOOMCARE GROUP LTD**

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##### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

##### **Matters on which we are required to report by exception**

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, 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 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 parent company or to cease operations, or have no realistic alternative but to do so.

##### **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 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, are detailed below:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations;
- Enquires with management about any known or suspected instances of fraud;
- Auditing the risk of fraud in revenue by way of proof in total for a sample of occupants and review of post year end credit notes raised;
- Examination of journal entries and other adjustments to test for appropriateness and identify any instances of management override of controls;
- Assessing management's significant judgements and estimate;
- Review of legal and professional expenditure to identify any evidence of ongoing litigation or enquiries.

## **BLOOMCARE GROUP LTD**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF BLOOMCARE GROUP LTD**

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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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 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.

#### **Paul Williams**

Senior Statutory Auditor

For and on behalf of MHA, Statutory Auditor

Preston, United Kingdom

26 April 2024

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

**BLOOMCARE GROUP LTD****GROUP STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 JULY 2023**

	Notes	2023 £	2022 £
<b>Turnover</b>	<b>3</b>	27,536,569	24,862,340
Cost of sales		(21,204,594)	(19,628,256)
<b>Gross profit</b>		<u>6,331,975</u>	<u>5,234,084</u>
Administrative expenses		(6,708,884)	(6,236,550)
Other operating income		304,214	1,318,506
<b>Operating (loss)/profit</b>	<b>4</b>	<u>(72,695)</u>	<u>316,040</u>
Interest receivable and similar income	<b>8</b>	586,833	404,248
Interest payable and similar expenses	<b>9</b>	(830,011)	(559,062)
<b>(Loss)/profit before taxation</b>		<u>(315,873)</u>	<u>161,226</u>
Tax on (loss)/profit	<b>10</b>	50,371	(24,351)
<b>(Loss)/profit for the financial year</b>		<u><u>(265,502)</u></u>	<u><u>136,875</u></u>
(Loss)/profit for the financial year is attributable to:			
- Owners of the parent company		(381,554)	3,135
- Non-controlling interests		116,052	133,740
		<u><u>(265,502)</u></u>	<u><u>136,875</u></u>
Total comprehensive income for the year is attributable to:			
- Owners of the parent company		(381,554)	3,135
- Non-controlling interests		116,052	133,740
		<u><u>(265,502)</u></u>	<u><u>136,875</u></u>

**BLOOMCARE GROUP LTD****GROUP BALANCE SHEET****AS AT 31 JULY 2023**

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Goodwill	12		85,616		116,749
Tangible assets	13		6,695,272		6,443,985
			<u>6,780,888</u>		<u>6,560,734</u>
<b>Current assets</b>					
Debtors	16	9,587,358		10,245,479	
Cash at bank and in hand		528,086		441,033	
		<u>10,115,444</u>		<u>10,686,512</u>	
<b>Creditors: amounts falling due within one year</b>	17	(5,308,416)		(4,182,009)	
<b>Net current assets</b>			<u>4,807,028</u>		<u>6,504,503</u>
<b>Total assets less current liabilities</b>			<u>11,587,916</u>		<u>13,065,237</u>
<b>Creditors: amounts falling due after more than one year</b>	18		(7,974,988)		(8,635,879)
<b>Provisions for liabilities</b>					
Deferred tax liability	20	140,370		305,634	
		<u>(140,370)</u>		<u>(305,634)</u>	
<b>Net assets</b>			<u><u>3,472,558</u></u>		<u><u>4,123,724</u></u>
<b>Capital and reserves</b>					
Called up share capital	23		244		244
Other reserves			3,710,637		3,710,637
Profit and loss reserves			(1,283,934)		(582,380)
<b>Equity excluding non-controlling interests</b>			<u>2,426,947</u>		<u>3,128,501</u>
<b>Non-controlling interests</b>			<u>1,045,611</u>		<u>995,223</u>
			<u><u>3,472,558</u></u>		<u><u>4,123,724</u></u>

The financial statements were approved by the board of directors and authorised for issue on 26 April 2024 and are signed on its behalf by:

**Mr L Ramos**  
Director

**Company registration number 12741021 (England and Wales)**

**BLOOMCARE GROUP LTD****COMPANY BALANCE SHEET****AS AT 31 JULY 2023**

		<b>2023</b>		<b>2022</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible assets	<b>13</b>		58,544		53,699
Investments	<b>14</b>		3,711,079		3,711,079
			<u>3,769,623</u>		<u>3,764,778</u>
<b>Current assets</b>					
Debtors	<b>16</b>	8,779,016		9,391,923	
Cash at bank and in hand		83,357		119,951	
		<u>8,862,373</u>		<u>9,511,874</u>	
<b>Creditors: amounts falling due within one year</b>	<b>17</b>	(930,114)		(922,648)	
<b>Net current assets</b>			<u>7,932,259</u>		<u>8,589,226</u>
<b>Total assets less current liabilities</b>			<u>11,701,882</u>		<u>12,354,004</u>
<b>Creditors: amounts falling due after more than one year</b>	<b>18</b>	(7,974,988)		(8,635,879)	
<b>Provisions for liabilities</b>					
Deferred tax liability	<b>20</b>	7,550		4,803	
		<u>(7,550)</u>		<u>(4,803)</u>	
<b>Net assets</b>			<u><u>3,719,344</u></u>		<u><u>3,713,322</u></u>
<b>Capital and reserves</b>					
Called up share capital	<b>23</b>		244		244
Other reserves			3,710,637		3,710,637
Profit and loss reserves			8,463		2,441
<b>Total equity</b>			<u><u>3,719,344</u></u>		<u><u>3,713,322</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the period was £326,021 (2022 - £430,679 profit).

The financial statements were approved by the board of directors and authorised for issue on 26 April 2024 and are signed on its behalf by:

**Mr L Ramos**  
**Director**

**Company registration number 12741021 (England and Wales)**

# BLOOMCARE GROUP LTD

## GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JULY 2023

	Share capital	Other reserves	Profit and loss reserves	Non-controlling interest	Total
Notes	£	£	£	£	£
<b>Balance at 1 August 2021</b>	244	3,710,637	(285,515)	3,425,366	949,828
<b>Year ended 31 July 2022:</b>					
Profit and total comprehensive income	-	-	3,135	3,135	133,740
Dividends	11	-	(300,000)	(300,000)	(88,345)
<b>Balance at 31 July 2022</b>	244	3,710,637	(582,380)	3,128,501	995,223
<b>Year ended 31 July 2023:</b>					
Loss and total comprehensive income	-	-	(381,554)	(381,554)	116,052
Dividends	11	-	(320,000)	(320,000)	(65,664)
<b>Balance at 31 July 2023</b>	244	3,710,637	(1,283,934)	2,426,947	1,045,611
					3,472,558



# BLOOMCARE GROUP LTD

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

		Share capital	Other reserves	Profit and loss reserves	Total
	Notes	£	£	£	£
<b>Balance at 1 August 2021</b>		244	3,710,637	(128,238)	3,582,643
<b>Year ended 31 July 2022:</b>					
Profit and total comprehensive income for the year		-	-	430,679	430,679
Dividends	11	-	-	(300,000)	(300,000)
<b>Balance at 31 July 2022</b>		244	3,710,637	2,441	3,713,322
<b>Year ended 31 July 2023:</b>					
Profit and total comprehensive income		-	-	326,022	326,022
Dividends	11	-	-	(320,000)	(320,000)
<b>Balance at 31 July 2023</b>		244	3,710,637	8,463	3,719,344

# **BLOOMCARE GROUP LTD**

## **GROUP STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 JULY 2023**

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	28	2,065,557		912,189	
Interest paid		(830,011)		(559,062)	
Income taxes paid		(124,050)		(194,607)	
<b>Net cash inflow from operating activities</b>		<b>1,111,496</b>		<b>158,520</b>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(682,296)		(444,332)	
Repayment/(advances) of loans		(9,725)		(167,333)	
Interest received		586,833		404,248	
<b>Net cash used in investing activities</b>		<b>(105,188)</b>		<b>(207,417)</b>	
<b>Financing activities</b>					
Repayment of bank loans		(533,591)		(163,385)	
Dividends paid to equity shareholders		(320,000)		(300,000)	
Dividends paid to non-controlling interests		(65,664)		(88,345)	
<b>Net cash used in financing activities</b>		<b>(919,255)</b>		<b>(551,730)</b>	
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>87,053</b>		<b>(600,627)</b>	
Cash and cash equivalents at beginning of year		441,033		1,041,660	
<b>Cash and cash equivalents at end of year</b>		<b>528,086</b>		<b>441,033</b>	

# **BLOOMCARE GROUP LTD**

## **NOTES TO THE GROUP FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 JULY 2023**

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#### **1 Accounting policies**

##### **Company information**

Bloomcare Group Ltd ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 34 Scarisbrick New Road, Southport, PR8 6QE.

The group consists of Bloomcare Group Ltd and all of its subsidiaries.

##### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being the parent member of a group which prepares these consolidated financial statements, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. This company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within these consolidated financial statements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts of financial instruments;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

##### **1.2 Business combinations**

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. Investments in subsidiaries are accounted for at cost less impairment.

Any deferred tax movements on assets previously revalued in subsidiary companies prior to the acquisition date is reflected in the profit and loss account.

##### **1.3 Basis of consolidation**

The consolidated group financial statements consist of the financial statements of the parent company Bloomcare Group Ltd together with all entities controlled by the parent company (its subsidiaries).

All financial statements are made up to 31 July 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions and balances between group companies are eliminated on consolidation.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

## BLOOMCARE GROUP LTD

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

#### 1 Accounting policies

(Continued)

##### 1.4 Going concern

At the time of approving the financial statements, the directors have considered the group's financial position and performance and have prepared detailed forecasts covering the period to July 2025.

With occupancy levels steadily reclaiming their pre-pandemic heights and showing promising growth in the upcoming periods, the group remains confident in its path to recovery. Despite the lingering challenges posed by the pandemic, including the higher use of agency staff and increased operational costs, the group has managed to maintain profitability.

Although certain banking covenants were impacted during the year and after the year end, this is expected to be temporary. The group has maintained open and constructive communication with its key lender, receiving invaluable support and understanding. As part of its proactive approach, the group is currently working with the bank to establish amended terms that align with the group's future strategies and ensure sustained business support.

The recent strengthening of the Senior Management Team and the implementation of a new strategic plan instil great confidence in the directors that the group will soon return to its previous levels of performance. Already, positive signs are evident through cost reductions in agency expenses and renegotiated utility contracts, which took effect from September 2023.

Based on the above, at the time of approving the financial statements, the directors have a reasonable expectation that the group 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.

##### 1.5 Turnover

Turnover represents the invoiced sales of care home accommodation and nursing services excluding VAT.

Revenue from contracts for the provision of care home and nursing services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by reference to the period of stay within the carehome and only when nursing services are recognised and subsequently invoiced. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

##### 1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

##### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

## BLOOMCARE GROUP LTD

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

#### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	Straight line at 2%
Leasehold buildings	Straight line at 20%
Plant and equipment	Straight line at 20%
Fixtures, fittings and equipment	Straight line at 20%-25%
Office equipment	Straight line at 20%-33%
Motor vehicles	Straight line at 20%

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

##### 1.8 Fixed asset investments

In the parent company financial statements, investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

##### 1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

##### 1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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 debtors and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

## BLOOMCARE GROUP LTD

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 JULY 2023

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#### 1 Accounting policies

(Continued)

##### **Other financial assets**

All of the group's financial assets are basic financial instruments.

##### **Impairment of financial assets**

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

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of 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 deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. Trade creditors are recognised initially at transaction price.

##### **Other financial liabilities**

All of the group's financial liabilities are basic financial instruments.

##### **Derecognition of financial liabilities**

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

#### 1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

## BLOOMCARE GROUP LTD

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

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#### 1 Accounting policies

(Continued)

##### 1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

###### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

###### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

##### 1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### 1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

##### 1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

## BLOOMCARE GROUP LTD

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

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#### 1 Accounting policies

(Continued)

##### 1.17 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

##### **Critical judgements**

###### ***Assessing indicators of impairment***

In assessing whether there have been any indicators of impaired assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no material indicators of impairment identified during the current financial year.

###### **Key sources of estimation uncertainty**

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

###### ***Useful lives of freehold land and buildings***

The company depreciates tangible assets over their estimated useful lives. The estimation of useful lives of assets is based on expectations about future use as well as historic performance and therefore requires management to make some estimates based on assumptions.

The actual lives of assets, specifically buildings, can vary significantly due to external environmental factors and dilapidation, as well as the effect regular maintenance.

###### ***Estimating fair value of property***

The group opts to revalue property such that the value of property in the accounts adequately reflects the current market value at the date of valuation.

This requires some element of judgement as the directors have to estimate what they consider to be a fair market value. This is based on current market valuations of similar properties, and where applicable, they obtain advice from qualified professionals to support their estimates.

###### ***Provision for bad and doubtful debts***

Throughout the year the companies review the amounts receivable and makes a provision for bad and doubtful debts based on their knowledge of the circumstances and historic debt recovery.



## BLOOMCARE GROUP LTD

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

#### 3 Turnover and other revenue

All of the group's turnover is derived from the principal activity of the group and relates to sales made in the United Kingdom.

	2023 £	2022 £
<b>Turnover analysed by class of business</b>		
Operation of care centres	27,536,569	24,862,340
	<u>          </u>	<u>          </u>
	2023 £	2022 £
<b>Other revenue</b>		
Interest income	586,833	404,248
Grants received	287,375	1,306,416
	<u>          </u>	<u>          </u>

All turnover is derived from UK operations.

#### 4 Operating (loss)/profit

	2023 £	2022 £
Operating (loss)/profit for the year is stated after charging/(crediting):		
Government grants	(287,375)	(1,306,416)
Depreciation of owned tangible fixed assets	431,009	330,270
Amortisation of intangible assets	31,133	31,133
Operating lease charges	1,538,766	1,469,769
	<u>          </u>	<u>          </u>

#### 5 Auditor's remuneration

	2023 £	2022 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	13,200	6,360
Audit of the financial statements of the company's subsidiaries	27,180	23,199
	<u>          </u>	<u>          </u>
	40,380	29,559
	<u>          </u>	<u>          </u>

# BLOOMCARE GROUP LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

### 6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2023 Number	2022 Number	Company 2023 Number	2022 Number
Directors and management	45	19	2	2
Other staff	879	819	22	-
Total	924	838	24	2

Their aggregate remuneration comprised:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Wages and salaries	16,012,770	13,507,551	972,845	730,465
Social security costs	1,110,873	854,115	94,329	76,526
Pension costs	315,311	300,323	72,109	95,431
	17,438,954	14,661,989	1,139,283	902,422

### 7 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	38,049	53,064
Company pension contributions to defined contribution schemes	53,333	73,333
	91,382	126,397

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2022 - 2).

### 8 Interest receivable and similar income

	2023 £	2022 £
Interest income		
Other interest income	586,833	404,248

# **BLOOMCARE GROUP LTD**

## **NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2023**

### **9 Interest payable and similar expenses**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Interest on bank overdrafts and loans	797,901	558,023
Other interest	32,110	1,039
	<u>          </u>	<u>          </u>
Total finance costs	<u>830,011</u>	<u>559,062</u>

### **10 Taxation**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	114,893	112,287
	<u>          </u>	<u>          </u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(140,372)	(66,831)
Changes in tax rates	(26,692)	(21,105)
Adjustment in respect of prior periods	1,800	-
	<u>          </u>	<u>          </u>
Total deferred tax	<u>(165,264)</u>	<u>(87,936)</u>
	<u>          </u>	<u>          </u>
Total tax (credit)/charge	<u>(50,371)</u>	<u>24,351</u>

The actual (credit)/charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
(Loss)/profit before taxation	<u>(315,873)</u>	<u>161,226</u>
	<u>          </u>	<u>          </u>
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 21.01% (2022: 19.00%)	(66,365)	30,633
Tax effect of expenses that are not deductible in determining taxable profit	5,167	8,588
Effect of change in corporation tax rate	(26,692)	(21,105)
Depreciation on assets not qualifying for tax allowances	37,974	14,871
Amortisation on assets not qualifying for tax allowances	6,541	5,915
Other non-reversing timing differences	10	-
Deferred tax adjustments in respect of prior years	1,800	-
Structures and buildings allowance	-	(1,018)
Superdeduction	(8,806)	(13,533)
	<u>          </u>	<u>          </u>
Taxation (credit)/charge	<u>(50,371)</u>	<u>24,351</u>

**BLOOMCARE GROUP LTD****NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****10 Taxation****(Continued)****Factors affecting future tax and charges**

In the March 2021 budget the Chancellor confirmed an increase in the main rate of corporation tax from 19% to 25% with effect from 1 April 2023. The Finance Bill 2021 had its third reading on 24 May 2021 and was considered substantively enacted on this date. The deferred tax timing differences expected to reverse on or after 1 April 2023 have therefore been accounted for at 25%.

**11 Dividends**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Recognised as distributions to equity holders:		
Final paid	320,000	300,000

**12 Intangible fixed assets**

<b>Group</b>	<b>Goodwill</b>
	<b>£</b>
<b>Cost</b>	
At 1 August 2022 and 31 July 2023	155,665
<b>Amortisation and impairment</b>	
At 1 August 2022	38,916
Amortisation charged for the year	31,133
At 31 July 2023	70,049
<b>Carrying amount</b>	
At 31 July 2023	85,616
At 31 July 2022	116,749

The company had no intangible fixed assets at 31 July 2023 or 31 July 2022.

# BLOOMCARE GROUP LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

### 13 Tangible fixed assets

Group	Freehold buildings	Leasehold buildings	Plant and fixtures, equipment and fittings	Office equipment	Motor vehicles	Total
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 August 2022	5,452,410	77,915	41,493	1,137,575	120,643	7,248
Additions	-	-	10,970	643,128	28,198	-
At 31 July 2023	5,452,410	77,915	52,463	1,780,703	148,841	7,519,580
<b>Depreciation and impairment</b>						
At 1 August 2022	72,560	16,416	13,050	256,599	33,409	2,265
Depreciation charged in the year	58,988	15,635	11,894	313,027	29,653	1,812
At 31 July 2023	131,548	32,051	24,944	568,626	63,062	4,077
<b>Carrying amount</b>						
At 31 July 2023	5,320,862	45,864	27,519	1,212,077	85,779	3,171
At 31 July 2022	5,379,850	61,499	28,443	881,976	87,234	4,983
						6,443,985

# BLOOMCARE GROUP LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

Company	Plant and equipment	Fixtures, fittings and equipment	Office equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 August 2022	-	31,902	39,242	71,144
Additions	3,122	411	21,521	25,054
At 31 July 2023	3,122	32,313	60,763	96,198
<b>Depreciation and impairment</b>				
At 1 August 2022	-	5,737	11,708	17,445
Depreciation charged in the year	291	8,061	11,857	20,209
At 31 July 2023	291	13,798	23,565	37,654
<b>Carrying amount</b>				
At 31 July 2023	2,831	18,515	37,198	58,544
At 31 July 2022	-	26,165	27,534	53,699

### 14 Fixed asset investments

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Investments in subsidiaries	15	-	-	3,711,079	3,711,079

### Movements in fixed asset investments

Company	Shares in subsidiaries £
<b>Cost or valuation</b>	
At 1 August 2022 and 31 July 2023	3,711,079
<b>Carrying amount</b>	
At 31 July 2023	3,711,079
At 31 July 2022	3,711,079

### 15 Subsidiaries

Details of the company's subsidiaries at 31 July 2023 are as follows:

# BLOOMCARE GROUP LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

### 15 Subsidiaries

(Continued)

Name of undertaking	Address	Class of shares held	% Held	
			Direct	Indirect
Wellington Healthcare (Arden) Ltd	1	Ordinary	100.00	-
Wellington Healthcare Limited	1	Ordinary	100.00	-
Northwest Lighthouse Hub C.I.C.	2	Ordinary	100.00	-
Ramos Healthcare Limited	1	Ordinary	70.00	-
Laburnum House (Shaw) Limited	1	Ordinary	0	70.00
Bloomcare Greengables Ltd	2	Ordinary	100.00	-

Registered office addresses (all UK unless otherwise indicated):

- 1 34 Scarisbrick New Road, Southport, PR8 6QE
- 2 17/19 Roe Lane, Southport, PR9 9EB

Wellington Healthcare Limited (company registration number 06377726) and Bloomcare Greengables Limited (company registration number 13909141) have taken the exemption in Section 479A of the Companies Act 2006 ("the Act") from the requirements in the Act for their individual accounts to be audited. The guarantee given by the company under Section 479A of the Act is disclosed in note 21.

### 16 Debtors

	Group 2023	2022	Company 2023	2022
Amounts falling due within one year:	£	£	£	£
Trade debtors	2,238,023	2,290,479	-	-
Corporation tax recoverable	235,942	104,722	196,070	84,743
Amounts owed by group undertakings	-	-	1,753,018	2,068,461
Other debtors	6,477,198	7,072,959	6,457,221	6,886,990
Prepayments and accrued income	636,195	777,319	326,800	351,729
	<u>9,587,358</u>	<u>10,245,479</u>	<u>8,733,109</u>	<u>9,391,923</u>
Amounts falling due after more than one year:				
Deferred tax asset (note 20)	-	-	45,907	-
	<u>-</u>	<u>-</u>	<u>45,907</u>	<u>-</u>
<b>Total debtors</b>	<u>9,587,358</u>	<u>10,245,479</u>	<u>8,779,016</u>	<u>9,391,923</u>

# BLOOMCARE GROUP LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

### 17 Creditors: amounts falling due within one year

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans	19	628,036	500,736	628,036	500,736
Trade creditors		1,634,576	1,523,827	44,250	72,724
Amounts owed to group undertakings		-	-	47,736	239,615
Corporation tax payable		323,755	201,692	140,827	66,111
Other taxation and social security		781,003	251,559	-	-
Other creditors		657,490	511,493	100	2,100
Accruals and deferred income		1,283,556	1,192,702	69,165	41,362
		<u>5,308,416</u>	<u>4,182,009</u>	<u>930,114</u>	<u>922,648</u>

### 18 Creditors: amounts falling due after more than one year

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans and overdrafts	19	7,974,988	8,635,879	7,974,988	8,635,879

### 19 Loans and overdrafts

	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans	8,603,024	9,136,615	8,603,024	9,136,615
Payable within one year	628,036	500,736	628,036	500,736
Payable after one year	7,974,988	8,635,879	7,974,988	8,635,879

Bank loans consist of a Healthcare Loan Facility ("HLF") of £8,341,660 (2022: £8,738,888) and a Coronavirus Business Interruption Loan ("CBIL") of £261,364 (2022: £397,727).

The loans are secured by fixed charges over the properties owned by the group and related companies, and the shares in the group companies and related companies owned by the shareholders of the group and related companies.

The HLF is for a period of 60 months with no capital repayments for the first 12 months. Repayments thereafter are £30,556 per month for 48 months with a final repayment of £7,333,312 due in April 2026. Interest is charged on the loan at an annual rate of 5.75% + the higher of LIBOR or 0.25%.

The CBIL is for a period of 36 months. Repayments are £34,091 per quarter for 11 quarters with a final repayment of £125,000 due in May 2024. Interest is charged on the loan at an annual rate of 5.28%.



# BLOOMCARE GROUP LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

### 20 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2023 £	Liabilities 2022 £	Assets 2023 £	Assets 2022 £
<b>Group</b>				
Accelerated capital allowances	142,355	89,186	-	-
Tax losses	(329,873)	(111,432)	-	-
Revaluations	337,151	337,151	-	-
Retirement benefit obligations	(9,539)	(9,271)	-	-
Short term timing differences	276	-	-	-
	<u>140,370</u>	<u>305,634</u>	<u>-</u>	<u>-</u>
	Liabilities 2023 £	Liabilities 2022 £	Assets 2023 £	Assets 2022 £
<b>Company</b>				
Accelerated capital allowances	7,550	4,803	-	-
Tax losses	-	-	45,907	-
	<u>7,550</u>	<u>4,803</u>	<u>45,907</u>	<u>-</u>
			<b>Group 2023 £</b>	<b>Company 2023 £</b>
<b>Movements in the year:</b>				
Liability at 1 August 2022			305,634	4,803
Credit to profit or loss			(138,572)	(36,264)
Effect of change in tax rate - profit or loss			(26,892)	(6,896)
Liability/(Asset) at 31 July 2023			<u>140,370</u>	<u>(38,357)</u>

The company has not finalised its capital expenditure programme for the next financial year and therefore an assessment as to the likely movement of timing differences cannot reasonably be made.

The company had estimated tax losses of £183,628 (2022: £nil) at the year end.

The group had estimated tax losses of £1,319,492 (2022: £445,730) at the year end.

## BLOOMCARE GROUP LTD

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

#### 21 Contingent liability

In order for the company's subsidiaries, Wellington Healthcare Limited and Bloomcare Greengables Limited, to take the audit exemption in Section 479A of the Companies Act 2006, the company has guaranteed all outstanding liabilities of both subsidiaries at 31 July 2023 until those liabilities are satisfied in full.

#### 22 Retirement benefit schemes

	2023	2022
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	315,311	300,323

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

#### 23 Share capital

Group and company	2023	2022	2023	2022
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of £1 each	244	244	244	244

#### 24 Operating lease commitments

##### Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Within one year	1,331,911	1,354,823	-	-
Between two and five years	3,808,883	4,331,447	-	-
In over five years	12,362,000	13,184,000	-	-
	17,502,794	18,870,270	-	-

#### 25 Events after the reporting date

Post year end, the home operated by Bloomcare Greengables Limited has closed.

# BLOOMCARE GROUP LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

### 26 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	360,277	448,137

#### Transactions with related parties

During the year the group entered into the following transactions with related parties:

	Consultancy costs	
	2023 £	2022 £
<b>Company</b>		
Other related parties	24,000	24,000
	Management charges received	
	2023 £	2022 £
<b>Group</b>		
Other related parties	12,000	12,000
	Interest received	
	2023 £	2022 £
<b>Company</b>		
Entities over which the entity has control, joint control or significant influence	424,080	388,265
Other related parties	12,000	12,000

During the year, the group paid rent of £1,039,200 (2022: £964,887) to other related parties.

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2023 £	2022 £
<b>Group</b>		
Other related parties	-	2,100
<b>Company</b>		
Entities over which the company has control, joint control or significant influence	47,436	38,576
Other related parties	100	2,100

**BLOOMCARE GROUP LTD****NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****26 Related party transactions****(Continued)****Amounts due from related parties**

	<b>2023 Balance £</b>	<b>2022 Balance £</b>
<b>Group</b>		
Key management personnel	708,521	700,796
Other related parties	5,763,814	6,314,087
	<u>          </u>	<u>          </u>
<b>Company</b>		
Entities over which the company has control, joint control or significant influence	1,006,654	2,015,916
Key management personnel	590,106	580,248
Other related parties	5,867,111	6,306,738
	<u>          </u>	<u>          </u>

**27 Directors' transactions**

Dividends totalling £320,000 (2022 - £300,000) were paid in the year in respect of shares held by the company's directors.

Loans made to the directors are interest free and repayable on demand.

<b>Description</b>	<b>% Rate</b>	<b>Opening balance £</b>	<b>Amounts advanced £</b>	<b>Amounts repaid £</b>	<b>Closing balance £</b>
Director loan	-	117,149	114,429	(160,000)	71,578
Director loan	-	543,484	215,429	(160,000)	598,913
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
		660,633	329,858	(320,000)	670,491
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# BLOOMCARE GROUP LTD

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

### 28 Cash generated from group operations

	2023 £	2022 £
(Loss)/profit for the year after tax	(265,502)	136,875
<b>Adjustments for:</b>		
Taxation (credited)/charged	(50,371)	24,351
Finance costs	830,011	559,062
Investment income	(586,833)	(404,248)
Amortisation and impairment of intangible assets	31,133	31,133
Depreciation and impairment of tangible fixed assets	431,009	330,270
<b>Movements in working capital:</b>		
Decrease/(increase) in debtors	799,066	(526,916)
Increase in creditors	877,044	761,662
<b>Cash generated from operations</b>	<b>2,065,557</b>	<b>912,189</b>

### 29 Analysis of changes in net debt - group

	1 August 2022 £	Cash flows £	31 July 2023 £
Cash at bank and in hand	441,033	87,053	528,086
Borrowings excluding overdrafts	(9,136,615)	533,591	(8,603,024)
	<u>(8,695,582)</u>	<u>620,644</u>	<u>(8,074,938)</u>

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.