

Registration number: 05613970

PHAROS CARE LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 AUGUST 2020 TO 31 JANUARY 2022

Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

TUESDAY



A13 *ABWEEVXN* #209
31/01/2023
COMPANIES HOUSE

PHAROS CARE LIMITED

CONTENTS

Company Information	1
Directors' Report	2
Strategic Report	3
Accountants' Report	4
Profit and Loss Account	5
Balance Sheet	6
Statement of Changes in Equity	7
Notes to the Unaudited Financial Statements	8 to 16

PHAROS CARE LIMITED

COMPANY INFORMATION

Directors N Goodban
L G Krige
J Thorburn-Muirhead

Company secretary N Goodban

Registered office Cardinal House
Abbeyfield Court
Abbeyfield Road
Nottingham
NG7 2SZ

Accountants Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

PHAROS CARE LIMITED

DIRECTORS' REPORT FOR THE PERIOD FROM 1 AUGUST 2020 TO 31 JANUARY 2022

The directors present their report and the financial statements for the period from 1 August 2020 to 31 January 2022. The comparative period is for the year ended 31 July 2021.

Directors of the company

The directors who held office during the period were as follows:

I G Brown (ceased 4 February 2022)

M J Harrison (ceased 4 February 2022)

L Owen (appointed 1 November 2020 and ceased 4 February 2022)

N R Stanley (appointed 1 November 2020 and ceased 4 February 2022)

The following directors were appointed after the period end:

N Goodban (appointed 4 February 2022)

L G Krige (appointed 7 February 2022)

J Thorburn-Muirhead (appointed 4 February 2022)

Future developments

The external environment is expected to remain competitive going forward, however the directors remain confident that the company will improve on its current level of performance in the future.

27/1/2023

Approved by the Board on and signed on its behalf by:

Nick Goodban

.....
N Goodban
Director

PHAROS CARE LIMITED

STRATEGIC REPORT FOR THE PERIOD FROM 1 AUGUST 2020 TO 31 JANUARY 2022

The directors present their strategic report for the period from 1 August 2020 to 31 January 2022. The comparative period is for the year ended 31 July 2021.

Principal activity

The principal activity of the company is care services.

Financial instruments

Objectives and policies

The board constantly monitors the company's trading results and revise the projections as appropriate to ensure that the company can meet its future obligations as they fall due.

Price risk, credit risk, liquidity risk and cash flow risk

Credit risk in respect of bank balances is safeguarded by using banks with high credit ratings.

Fair review of the business

The results for the period, which are set out in the profit and loss account, show turnover of £6,097,440 (2020 - £3,950,109) and an operating profit of £755,232 (2020 - £319,071). At 31 January 2022, the company had net assets of £3,283,779 (2020 - £2,449,467). The directors consider the performance for the period and the financial position at the period end to be satisfactory.

Given the nature of the business, the directors are of the opinion that key performance indicators are important. The company uses a number of indicators to monitor and improve the position of the business. Indicators are reviewed and altered to meet changes both in the internal and external environments. The directors do not consider the inclusion of an analysis using key performance indicators to be necessary to assist users of the financial statements in their understanding of the financial performance or position of the company.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to government funding in the current economic climate.

27/1/2023

Approved by the Board on and signed on its behalf by:

Nick Goodban

.....
N Goodban
Director

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE
PREPARATION OF THE UNAUDITED STATUTORY ACCOUNTS OF PHAROS CARE LIMITED
FOR THE PERIOD ENDED 31 JANUARY 2022**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Pharos Care Limited for the period ended 31 January 2022 as set out on pages 5 to 16 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/regulation>.

This report is made solely to the Board of Directors of Pharos Care Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Pharos Care Limited and state those matters that we have agreed to state to the Board of Directors of Pharos Care Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Pharos Care Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Pharos Care Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Pharos Care Limited. You consider that Pharos Care Limited is exempt from the statutory audit requirement for the period.

We have not been instructed to carry out an audit or a review of the accounts of Pharos Care Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Simon Worsley
.....
Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT
27/1/2023
Date:.....

PHAROS CARE LIMITED**PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 1 AUGUST 2020 TO 31 JANUARY 2022**

	Note	1 August 2020 to 31 January 2022 £	Year ended 31 July 2020 £
Turnover	3	6,097,440	3,950,109
Cost of sales		<u>(4,008,324)</u>	<u>(2,775,388)</u>
Gross profit		2,089,116	1,174,721
Administrative expenses		<u>(1,333,884)</u>	<u>(855,650)</u>
Operating profit	4	755,232	319,071
Other interest receivable and similar income	5	243,737	212,964
Interest payable and similar charges	6	<u>(131,856)</u>	<u>(126,756)</u>
Profit before tax		867,113	405,279
Taxation	8	<u>(32,801)</u>	<u>30,954</u>
Profit for the financial period		<u>834,312</u>	<u>436,233</u>

The above results were derived from continuing operations.

The company has no other comprehensive income for the period.

The notes on pages 8 to 16 form an integral part of these financial statements.

PHAROS CARE LIMITED**(REGISTRATION NUMBER: 05613970)
BALANCE SHEET AS AT 31 JANUARY 2022**

	Note	31 January 2022 £	31 July 2020 £
Fixed assets			
Tangible assets	9	65,140	116,719
Investments	10	<u>50</u>	<u>50</u>
		<u>65,190</u>	<u>116,769</u>
Current assets			
Debtors: Amounts falling due within one year	11	502,542	365,319
Debtors: Amounts falling due after more than one year	11	5,413,756	4,666,088
Cash at bank and in hand		<u>33,636</u>	<u>151,428</u>
		5,949,934	5,182,835
Creditors: Amounts falling due within one year	12	<u>(630,287)</u>	<u>(613,483)</u>
Net current assets		<u>5,319,647</u>	<u>4,569,352</u>
Total assets less current liabilities		5,384,837	4,686,121
Creditors: Amounts falling due after more than one year	12	<u>(2,101,058)</u>	<u>(2,236,654)</u>
Net assets		<u>3,283,779</u>	<u>2,449,467</u>
Capital and reserves			
Called up share capital	15	55	55
Share premium reserve		219,945	219,945
Profit and loss account		<u>3,063,779</u>	<u>2,229,467</u>
Total equity		<u>3,283,779</u>	<u>2,449,467</u>

For the financial period ending 31 January 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

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

27/1/2023

Approved and authorised by the Board on and signed on its behalf by:

Nick Goodban

.....
N Goodban
Director

The notes on pages 8 to 16 form an integral part of these financial statements.

PHAROS CARE LIMITED**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 1 AUGUST 2020 TO 31 JANUARY 2022**

	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 August 2020	55	219,945	2,229,467	2,449,467
Profit for the period	-	-	834,312	834,312
At 31 January 2022	<u>55</u>	<u>219,945</u>	<u>3,063,779</u>	<u>3,283,779</u>

	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 August 2019	55	219,945	1,793,234	2,013,234
Profit for the year	-	-	436,233	436,233
At 31 July 2020	<u>55</u>	<u>219,945</u>	<u>2,229,467</u>	<u>2,449,467</u>

The notes on pages 8 to 16 form an integral part of these financial statements.

PHAROS CARE LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 AUGUST 2020 TO 31 JANUARY 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:

Cardinal House
Abbeyfield Court
Abbeyfield Road
Nottingham
NG7 2SZ

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 were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Name of parent of group

These financial statements are consolidated in the financial statements of Midway Care Group Holdings Limited.

The financial statements of Midway Care Group Holdings Limited may be obtained from Companies House

Disclosure of long or short period

The financial statements cover a period of 549 days. The accounting period has been lengthened to bring the year end in line with that of its parent undertaking, Midway Care Group Holdings Limited.

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

These financial statements do not contain any significant judgements or estimation uncertainty.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

PHAROS CARE LIMITED**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 AUGUST 2020 TO 31 JANUARY 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
Leasehold improvements	25% straight line
Fixtures and fittings	25% straight line
Motor vehicles	25% straight line
Office equipment	25% straight line

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

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.

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.

PHAROS CARE LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 AUGUST 2020 TO 31 JANUARY 2022

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.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

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

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.

PHAROS CARE LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 AUGUST 2020 TO 31 JANUARY 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 Revenue

The total turnover of the company has been derived from its principal activity wholly undertaken in the United Kingdom.

PHAROS CARE LIMITED**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 AUGUST 2020 TO 31 JANUARY 2022****4 Operating profit**

Arrived at after charging:

	1 August 2020 to 31 January 2022	Year ended 31 July 2020
	£	£
Depreciation expense	85,420	62,225
Operating lease expense - property	900,376	592,204
Operating lease expense - plant and machinery	<u>312</u>	<u>1,698</u>

5 Other interest receivable and similar income

	2022	2020
	£	£
Interest income on investments	243,737	205,007
Dividend income	<u>-</u>	<u>7,957</u>
	<u>243,737</u>	<u>212,964</u>

6 Interest payable and similar expenses

	2022	2020
	£	£
Interest on bank overdrafts and borrowings	69	-
Interest expense on other finance liabilities	<u>131,787</u>	<u>126,756</u>
	<u>131,856</u>	<u>126,756</u>

7 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	1 August 2020 to 31 January 2022	Year ended 31 July 2020
	£	£
Wages and salaries	3,210,483	2,284,916
Social security costs	241,066	161,987
Pension costs, defined contribution scheme	<u>56,561</u>	<u>36,793</u>
	<u>3,508,110</u>	<u>2,483,696</u>

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

	1 August 2020 to 31 January 2022	Year ended 31 July 2020
	No.	No.
Care	<u>134</u>	<u>131</u>

PHAROS CARE LIMITED**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 AUGUST 2020 TO 31 JANUARY 2022****8 Taxation**

Tax charged/(credited) in the profit and loss account

	1 August 2020 to 31 January 2022 £	Year ended 31 July 2020 £
Current taxation		
UK corporation tax	41,767	25,909
UK corporation tax adjustment to prior periods	<u>2,767</u>	<u>(28,500)</u>
	44,534	(2,591)
Deferred taxation		
Arising from origination and reversal of timing differences	<u>(11,733)</u>	<u>(28,363)</u>
Tax expense/(receipt) in the income statement	<u><u>32,801</u></u>	<u><u>(30,954)</u></u>

The tax on profit before tax for the period is lower than the standard rate of corporation tax in the UK (2020 - lower than the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	2022 £	2020 £
Profit before tax	<u>867,113</u>	<u>405,279</u>
Corporation tax at standard rate	164,751	77,003
Increase/(decrease) in UK and foreign current tax from adjustment for prior periods	2,767	(28,500)
Tax decrease from effect of capital allowances and depreciation	(6,847)	(24,392)
Tax decrease arising from group relief	<u>(127,870)</u>	<u>(55,065)</u>
Total tax charge/(credit)	<u><u>32,801</u></u>	<u><u>(30,954)</u></u>

Deferred tax

Deferred tax assets and liabilities

2022**Asset
£**

Difference between accumulated depreciation and amortisation and capital allowances

27,148**2020****Asset
£**

Difference between accumulated depreciation and amortisation and capital allowances

15,415

PHAROS CARE LIMITED**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 AUGUST 2020 TO 31 JANUARY 2022****9 Tangible assets**

	Leasehold land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost				
At 1 August 2020	164,405	37,120	31,434	232,959
Additions	28,543	10,845	-	39,388
Disposals	-	-	(27,035)	(27,035)
At 31 January 2022	<u>192,948</u>	<u>47,965</u>	<u>4,399</u>	<u>245,312</u>
Depreciation				
At 1 August 2020	77,989	14,956	23,295	116,240
Charge for the period	69,503	13,325	2,592	85,420
Eliminated on disposal	-	-	(21,488)	(21,488)
At 31 January 2022	<u>147,492</u>	<u>28,281</u>	<u>4,399</u>	<u>180,172</u>
Carrying amount				
At 31 January 2022	<u>45,456</u>	<u>19,684</u>	<u>-</u>	<u>65,140</u>
At 31 July 2020	<u>86,416</u>	<u>22,164</u>	<u>8,139</u>	<u>116,719</u>

10 Investments

	2022 £	2020 £
Investments in associates	<u>50</u>	<u>50</u>
Associates		£
Cost and net book value		
At 1 August 2020 and at 31 January 2022		<u>50</u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2022	2020
Associates				
Midcroft Care Limited	England and Wales	Ordinary	50%	50%

Associates*Midcroft Care Limited*

The principal activity of Midcroft Care Limited is other residential care activities.

PHAROS CARE LIMITED**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 AUGUST 2020 TO 31 JANUARY 2022****11 Debtors**

	31 January 2022 £	31 July 2020 £
Trade debtors	426,658	314,064
Other debtors	-	8,559
Prepayments	48,736	27,281
Deferred tax assets	27,148	15,415
Amounts owed by group undertakings	<u>5,413,756</u>	<u>4,666,088</u>
	5,916,298	5,031,407
Less non-current portion	<u>(5,413,756)</u>	<u>(4,666,088)</u>
Total current trade and other debtors	<u>502,542</u>	<u>365,319</u>

Details of non-current trade and other debtors

£5,413,756 (2020 - £4,666,088) of amounts owed by group undertakings is classified as non-current.

12 Creditors

	Note	31 January 2022 £	31 July 2020 £
Due within one year			
Loans and borrowings	13	96,567	269,630
Trade creditors		122,582	78,731
Other creditors		6,985	4,144
Accrued expenses		178,470	156,913
Corporation tax liability	8	41,767	25,909
Deferred income		<u>183,916</u>	<u>78,156</u>
		<u>630,287</u>	<u>613,483</u>
Due after one year			
Loans and borrowings	13	53,616	9,506
Amounts owed to group undertakings		<u>2,047,442</u>	<u>2,227,148</u>
		<u>2,101,058</u>	<u>2,236,654</u>

13 Loans and borrowings

	2022 £	2020 £
Current loans and borrowings		
Bank borrowings	96,567	268,229
HP and finance lease liabilities	<u>-</u>	<u>1,401</u>
	<u>96,567</u>	<u>269,630</u>
Non-current loans and borrowings		
Bank borrowings	<u>53,616</u>	<u>9,506</u>

Hire purchase liabilities are secured on the assets to which they relate.

PHAROS CARE LIMITED**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 AUGUST 2020 TO 31 JANUARY 2022****14 Pension and other schemes****Defined contribution pension scheme**

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £56,561 (2020 - £36,793).

15 Share capital**Allotted, called up and fully paid shares**

	31 January 2022		31 July 2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>55</u>	<u>55</u>	<u>55</u>	<u>55</u>

16 Obligations under leases and hire purchase contracts**Operating leases**

The total of future minimum lease payments is as follows:

	2022	2020
	£	£
Not later than one year	555,508	557,422
Later than one year and not later than five years	2,211,622	2,216,642
Later than five years	<u>6,094,620</u>	<u>6,923,820</u>
	<u>8,861,750</u>	<u>9,697,884</u>

17 Parent and ultimate parent undertaking

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

Up until 4 February 2022 the ultimate controlling party is M J Harrison, a director of the company. Since that date, the ultimate parent is C&C Topco Limited, incorporated in England and Wales. The directors believe there is no ultimate controlling party.