

Registered number: 06723149

**ESSEX CARES LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

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**ESSEX CARES LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	K Lynch J T Coogan M A McDonagh C L Shuter S T Bennett (appointed 1 April 2021) V Manchanda B J Moore Cllr I Grundy (appointed 11 June 2021)
<b>Company secretary</b>	Essex Legal Services Limited
<b>Registered number</b>	06723149
<b>Registered office</b>	Seax House Victoria Road South Chelmsford Essex CM1 1QH
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Priory Place New London Road Chelmsford Essex CM2 0PP

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**ESSEX CARES LIMITED**

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**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Principal Activities**

The principal activities of the Company and the Group are those of providing social care and associated products and services.

**Business Review**

Following on from the challenges of the pandemic in 2020/21, this financial year saw a continuation of issues relating to further waves of COVID impacting the operational workforce (along with the rest of the country). Staff recruitment and retention issues intensified in the second half of the year with adjacent sectors becoming a more attractive job proposition. All our contracts have been affected by reduced staff capacity, but we have been aided by central government grants for recruitment and retention as well as supplying PPE for the frontline services. Aside from that, given the restrictions relaxing in line with government advice, it has been a positive experience welcoming back customers into our day centres and delivering the services face to face again for those were advised to shield previously.

The complete rollout of the Enterprise Resource Planning system across all parts of the business was completed in this financial year and has provided much more reporting and integrated capability for rostering, HR, financials and being able to provide further analytical insight into the business.

The strong financial results of the year are based on our contracts being largely fixed in nature and being furthered by savings on staff costs due to vacancies that have proven challenging to fill. The Board strongly feel that, whilst contracts are constantly under review with the shareholder and interested parties, we continue to be shown as a viable entity. This is underpinned by the strength of the Balance Sheet and by the ability to reinvest the positive financial result back into the frontline carers that we employ.

Demand for our services continues to grow in the counties we operate in with ageing populations and increasing complexity of need. We continue to work closely with health and social care commissioners to design and grow new solutions to meet this need.

**Principal Risks and Uncertainties**

The global pandemic has still not dissipated so whilst restrictions are largely now eradicated and life can resume to certain pre-pandemic levels, the threat of a resurgence is still evident by the absence numbers we are still seeing across our services. In addition to COVID related absence, staff sickness absence related to other health conditions remains high following lockdown restrictions and the challenges in accessing health care.

The surge in the cost of living through utility bills and fuel prices has caused pressures on the disposable income of households and this has created market difficulties in the attraction and retention of community based staff required to optimally perform and even exceed our contractual obligations. This, twinned with rising inflation means that investment, certainly in the base pay, of frontline workers is a priority for the business and there is an obvious risk that this can impact the profit margins particularly in the short term. There are increasing opportunities for staff from both inside the sector and in adjacent industries and it is our focus to retain as much talent as possible to ensure we can mitigate this 'cost of living' problem and provide valuable savings to adult social care at the same time.

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**ESSEX CARES LIMITED**

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**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Financial Key Performance Indicators**

KPI's for the financial year 2021/22 show that Income has increased from £49.362m to £53.730m, an increase of 8.8%. The Essex Reablement service growing month on month and the guaranteed contract levels from Essex County Council were a factor in sustaining the steady growth that ECL achieved.

Profit after tax of £2.167m has decreased from the previous year (2020/21: £2.257m). Despite the aforementioned revenue growth in demand, the support of COVID-related grants from local government and the fact that as some of our operations were not physically open, the staffing levels did not grow as expected in some contracts. In addition the LGPS actuarial service costs have impacted our final results.

Current Ratio compared to the prior year has increased from 2.01 to 2.09 due to the management of the contract relationships, the growth of certain contracts and now that the in-housing of accounting services commenced from this financial year, the debtors and creditors management has ensured a healthy cashflow and ability to meet obligations without undue pressure. This financial management ensures investment into ECL's capabilities to achieve the long-term strategic company goals.

Employee Costs have as a percentage of revenue decreased by 1.2% between 2020/21 and 2021/22 to 56.8% due to the growth of variable contract elements, caused by demand levels, that is mitigated only by a partial year effect of hourly wage increases for the frontline staff.

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**ESSEX CARES LIMITED**

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**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

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**S172(1) Companies Act Declaration**

The Board of ECL do consider that they have acted in good faith and their actions have been to promote the success of the company for the benefit of all its members as a whole (inclusive of shareholders and employees alike). In doing so they have considered:

- Long Term consequences – all decisions that affect the company financially, operationally, ethically and reputationally on a material scale are agreed by the Senior Leadership Team and are referenced back to the company business plan that has been approved by its Board and Shareholder.
- Employees – our performance is driven by a team of motivated and dedicated staff who we know through our staff surveys are highly engaged and proud to work for such a reputable and effective organisation.
- Company suppliers and customers – long term contracts for services are preferable and negotiated to ensure viability for both sides, which works for both suppliers and customers, and we always look to promote working with customers who we believe we can make a real difference to their lives.
- Community and Environmental impact – being a social care company automatically has an impact on the community, although the ethos and drive that has come through operational and financial control has enabled this company to garner a good market share, which in turn leads to further efficiencies, and subsequently, the greater our standing becomes in the community. Further work is currently ongoing to improve our fair share of environmental inputs and outputs.
- Maintaining high standards – the outstanding contractual key performance indicators prove that we are delivering on our promises to those who commission our services. Our CQC inspections, where applicable, prove the quality of our services.
- Acting fairly – we aim to behave in an ethical manner and regularly review codes of conduct and governance. Our policies and procedures are tested through internal and external audits. Any infringements to the fair behaviour of this company are dealt with appropriately and within the confines of all legislative guidelines.

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

*Keir Lynch*

**K Lynch**  
Director

Date: 18 January 2023

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## ESSEX CARES LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

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The directors present their report and the financial statements for the year ended 31 March 2022.

#### Results and dividends

The profit for the year, after taxation, but before other gains and losses amounted to £2,166,664 (2021 - £2,257,406).

During the year, the Company paid dividends of £nil (2021: £852,450). A final dividend in respect of the year ended 31 March 2021 was agreed by the board on 19 January 2022, however, due to the delay in the confirmation of the overall Local Government Pension Assets held, and the subsequent extended filing of the financial accounts, this was communicated to the shareholder on 20 April 2022 and consequently represents a post balance sheet transaction that will be recognised in the financial statements for the year ended 31 March 2023.

The directors recommend the payment of a dividend in respect of the year ended 31 March 2022, in line with its agreed dividend policy.

#### Directors

The directors who served during the year were:

K Lynch  
G R Benn (resigned 30 September 2021)  
J T Coogan  
P A Channer (resigned 30 April 2021)  
M A McDonagh  
C L Shuter  
S T Bennett (appointed 1 April 2021)  
V Manchanda  
B J Moore  
Cllr I Grundy (appointed 11 June 2021)

#### Directors' Responsibilities Statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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**ESSEX CARES LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Directors' Responsibilities Statement (continued)**

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

**Future developments and Going Concern**

ECL has maintained a critical role throughout the continuing Coronavirus waves as a part of the health and social care system. Our contracts have provided significant financial protection when capacity has suffered due to staff absences, and we have also received central government funding to help offset the frontline investment that has been necessary to remain competitive with the market forces. Demand in the market remains very high and this is not expected to be curtailed in the foreseeable future.

Our income is largely derived from fixed multi-year contracts and throughout the past financial year, we have still managed to deliver successful and efficient services given the challenging circumstances. We have maintained our reputation for high quality care, and the transition towards more community provided services instead of residential care is continuing so we look to optimise this opportunity and strive to meet the demand in the Essex system.

The medium and long-term plans for ECL are still achievable, despite contracts being under constant review from commissioners and the business has continued to invest in its core frontline staff as well as in digital innovation. The company retains a healthy balance sheet position which can absorb reasonable competitive pressures throughout the remainder of the pandemic waves and the resultant market forces.

Based on the above factors, the financial statements have been prepared and approved on a going concern basis of accounting.

Any further contract plans that are outside the scope of Essex County Council direct awards are not considered appropriate to disclose due to their commercially sensitive nature.

**Employee involvement**

The Group has established a strong practice of keeping employees informed of matters affecting them directly and the financial and economic factors affecting the performance of the Group. The directors have monthly updates for their teams to disseminate downwards and to address any issues that might be affecting areas of the business. In addition, there are annual employee roadshows and regular monthly newsletters.

**Disabled employees**

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the group may continue. It is the policy of the company that training, career development and promotion opportunities should be available to all employees. Essex Cares Limited is an equal opportunities employer.



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**ESSEX CARES LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Greenhouse gas emissions, energy consumption and energy efficiency action**

In line with the Streamlined Energy and Carbon Reporting legislation, the Company is required to report its energy consumption and greenhouse gas emissions arising in the UK. All scope 1 & 2 sources of energy and emissions have been disclosed as well as mandatory scope 3 sources of energy and emissions.

In comparison to the previous financial period our total energy consumption has increased by 109.7 MWh and our greenhouse gas emissions have increased by 29.4 tCO<sub>2</sub>e, or 1% and 2% respectively. Although there was a 10% reduction in purchased electricity and a 36% reduction in natural gas usage, there was an increase in business travel across the period. This is due to lockdown being fully eased over this reporting period. so is expected. Also as mentioned in the previous years report a new expenses system which records vehicle specifications alongside mileage claims has been implemented. The slight increase in energy consumption combined with a reduction in floor area has increased our energy and emissions intensity ratio by 3% compared to the previous year.

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**ESSEX CARES LIMITED**


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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**


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**Source of Energy & Emissions**

	Energy Consumption (MWh)		GHG Emissions (tCO <sub>2</sub> e)	
	2022	2021	2022	2021
Combustion of Natural Gas	1,724.75	2,678.13	315.91	492.43
Combustion of Fuel in Company Vehicles	1,579.37	1,284.55	374.08	327.20
Scope 1 Total	3,304.12	3,962.68	689.99	819.63
Generation of Purchased Electricity	821.09	909.71	174.34	212.09
Scope 2 Total	821.09	909.71	174.34	212.09
Combustion of Fuel in Staff Vehicles	3,718.47	2,861.62	906.24	709.49
Scope 3 Total	3,718.47	2,861.62	906.24	709.49
Grand Total	7,843.69	7,734.01	1,770.56	1,741.21
Intensity per 1000m <sup>2</sup> Gross Floor Area	440.66	429.67	99.47	96.73

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**ESSEX CARES LIMITED**


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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**


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**Conversion factors**

All conversion factors and fuel properties used in this disclosure have been taken from the 2020 "UK Government Greenhouse Gas Conversion Factors for Company Reporting" published by the Department for Business, Energy & Industrial Strategy (BEIS) and the Department for Environment, Food & Rural Affairs (DEFRA). All greenhouse gas emissions have been expressed in terms of their carbon dioxide equivalence. A full list of conversion factors can be viewed below.

<b>Fuel</b>	<b>Conversion</b>	<b>Factor</b>
Electricity: UK	kg CO <sub>2</sub> e/kWh	0.21233
Natural gas (Standard UK grid)	kg CO <sub>2</sub> e/kWh (Gross CV)	0.18316
Diesel	kg CO <sub>2</sub> e/litre	2.51233
	kg CO <sub>2</sub> e/kWh (Net CV)	0.23686

<b>Vehicle Type</b>	<b>Conversion</b>	<b>Factor</b>
Small Car: Unknown Fuel	kWh/mile (Net CV)	0.95580
	kg CO <sub>2</sub> e/mile	0.23414
Medium Car: LPG	kWh/mile (Net CV)	1.25119
	kg CO <sub>2</sub> e/mile	0.28849
Large Car: LPG	kWh/mile (Net CV)	1.86108
	kg CO <sub>2</sub> e/mile	0.42876
Small Car: Diesel	kWh/mile (Net CV)	0.88092
	kg CO <sub>2</sub> e/mile	0.22143
Medium Car: Diesel	kWh/mile (Net CV)	1.05862
	kg CO <sub>2</sub> e/mile	0.26549
Large Car: Diesel	kWh/mile (Net CV)	1.33288
	kg CO <sub>2</sub> e/mile	0.33348
Small Car: Petrol	kWh/mile (Net CV)	0.99454
	kg CO <sub>2</sub> e/mile	0.24052
Medium Car: Petrol	kWh/mile (Net CV)	1.25119
	kg CO <sub>2</sub> e/mile	0.30231
Large Car: Petrol	kWh/mile (Net CV)	1.86108
	kg CO <sub>2</sub> e/mile	0.44914
Average Car: Battery Electric	kWh/mile (Net CV)	0.38136
	kg CO <sub>2</sub> e/mile	0.08097
Average Car: Motorcycle	kWh/mile (Net CV)	0.74456
	kg CO <sub>2</sub> e/mile	0.18274

<b>Fuel</b>	<b>Month</b>	<b>Average Price (ppl)</b>
Diesel (DERV)	April 2020	115.813
	May 2020	111.616
	June 2020	111.902
	July 2020	116.548
	August 2020	117.674
	September 2020	117.997
	October 2020	117.850
	November 2020	117.050
	December 2020	118.662
	January 2021	121.735
	February 2021	124.913
	March 2021	128.109

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**ESSEX CARES LIMITED**


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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**


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<b>Building Type</b>	<b>Benchmark</b>	<b>Factor</b>
General Office	Electricity: kWh/m2	95
	Fossil Thermic: kWh/m2	120
Public Buildings	Electricity: kWh/m2	20
	Fossil Thermic: kWh/m2	105
Residential	Electricity: kWh/m2	65
	Fossil Thermic: kWh/m2	420
Storage Facility	Electricity: kWh/m2	35
	Fossil Thermic: kWh/m2	160

**Utilities**

Where possible, energy consumption expressed in kilowatt-hours has been taken from suppliers' invoices. Estimations have been made where actual consumption was not available, such as multi-tenanted sites with landlord controlled supplies. Actual electricity and natural gas consumption data which was available for day care centres has been used to calculate an average annual kWh/m2 benchmark, which in turn was used to estimate the consumption for the remaining day care centres. Electricity and gas consumption for the remaining sites has been estimating using benchmarks from "CIBSE TM46: Energy Benchmarks" (Categories 1, 7, 16, 21 & 28). 31.8% of electricity consumption and 62% of gas consumption has been estimated. Conversion factors for the average UK generation mix have been used to calculate greenhouse gas emissions.

**Transport**

For company-owned vans and pool cars the cost of fuel is recorded by fuel cards. The average monthly fuel price, taken from "Monthly and annual prices of road fuels and petroleum products" published by BEIS and the Office for National Statistics, has been used to estimate the volume of fuel consumed. The conversion factors for average forecourt blends' net calorific values have been used to calculate greenhouse gas emissions and underlying energy use. Where staff drive their personal vehicles and are reimbursed via mileage claims the conversion factors from the category "Cars (by size)" have been used to calculate greenhouse gas emissions and underlying energy use per mile.

**Other Fuels & Emissions**

No other fuels are used and no sources of fugitive emissions for which the Company is responsible have been identified.

**Post balance sheet events**

ECL is always looking to explore every opportunity presented to further its care provision across its portfolio and this next financial year is no exception. At the time of writing of this report, there are no major events which could significantly impact the performance of the subsequent financial year but ensuring that ECL remains viable and competitive with the current market will be the biggest challenge.

**Disclosure of information to auditor**

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

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**ESSEX CARES LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Auditor**

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the Company receives notice under section 488(1) of the Companies Act 2006.

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

*Keir Lynch*

**K Lynch**  
Director

Date: 18 January 2023



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX CARES LIMITED

### Opinion

We have audited the financial statements of Essex Cares Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2022, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated and Company Statements of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2022 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Group and the 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.

### Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and of the parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group and the parent Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Group's and of the parent Company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Group's and of the parent Company's financial resources or ability to continue operations over the going concern period.



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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX CARES LIMITED (CONTINUED)

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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 of the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

### Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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

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

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.



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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX CARES LIMITED (CONTINUED)**

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### **Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

### **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 for the financial statements**

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 Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

### **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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.





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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX CARES LIMITED (CONTINUED)**

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**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We enquired of management concerning the group and parent company's policies and procedures relating to:
  - The identification, evaluation and compliance with laws and regulations;
  - The detection and response to the risks of fraud; and
  - The establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- The group is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following laws and regulations as the most likely to have a material effect if non-compliance were to occur: United Kingdom Generally Accepted Accounting Practice ("UK GAAP"), the Companies Act 2006, United Kingdom Corporation Tax legislation, anti-bribery legislation, GDPR, employment law and CQC (Care Quality Commission) regulations.;
- We assessed the susceptibility of the group and parent company's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included an evaluation of the risk of management override of controls. We determined that the principal risks were in relation to:
  - Potential management bias in determining accounting estimates, especially in relation to the defined benefit pension scheme assumptions; and;
  - Transactions with related parties.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed noncompliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX CARES LIMITED (CONTINUED)**

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- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
  - knowledge of the industry in which the client operates; and
  - understanding of the legal and regulatory requirements specific to the entity including the provisions of the applicable legislation, the regulator's rules and related guidance, including guidance issued by relevant authorities that interprets those rules and the applicable statutory provisions.

**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.

*Timothy Taylor*

Timothy Taylor FCA  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Chelmsford

18 January 2023

**ESSEX CARES LIMITED**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £	2021 £
Turnover	4	53,729,580	49,362,360
Cost of sales		(9,879,456)	(7,568,963)
<b>Gross profit</b>		<b>43,850,124</b>	<b>41,793,397</b>
Administrative expenses		(41,743,434)	(39,311,861)
<b>Operating profit</b>	5	<b>2,106,690</b>	<b>2,481,536</b>
Interest receivable and similar income	9	-	264
Interest payable and similar expenses	10	(10,083)	(12,582)
Other finance income		145,000	148,000
<b>Profit before taxation</b>		<b>2,241,607</b>	<b>2,617,218</b>
Tax on profit	12	(74,943)	(359,812)
<b>Profit for the financial year</b>		<b>2,166,664</b>	<b>2,257,406</b>
Actuarial gains on defined benefit pension scheme		10,913,998	1,995,000
<b>Other comprehensive income for the year</b>		<b>10,913,998</b>	<b>1,995,000</b>
<b>Total comprehensive income for the year</b>		<b>13,080,662</b>	<b>4,252,406</b>

The notes on pages 25 to 47 form part of these financial statements.

**ESSEX CARES LIMITED**  
**REGISTERED NUMBER:06723149**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	14	382,658	472,677
Tangible assets	15	1,728,547	1,866,929
		<u>2,111,205</u>	<u>2,339,606</u>
<b>Current assets</b>			
Stocks	17	992,144	1,027,556
Debtors: amounts falling due after more than one year	18	100	100
Debtors: amounts falling due within one year	18	18,357,878	14,433,767
Cash at bank and in hand	19	506,981	257,471
		<u>19,857,103</u>	<u>15,718,894</u>
Creditors: amounts falling due within one year	21	(8,377,848)	(7,815,622)
<b>Net current assets</b>		<u>11,479,255</u>	<u>7,903,272</u>
<b>Total assets less current liabilities</b>		<u>13,590,460</u>	<u>10,242,878</u>
Creditors: amounts falling due after more than one year	22	(5,393)	(195,467)
<b>Provisions for liabilities</b>			
Other provisions	25	(236,868)	(236,868)
		<u>(236,868)</u>	<u>(236,868)</u>
<b>Net assets excluding pension asset</b>		<u>13,348,199</u>	<u>9,810,543</u>
Pension asset	28	16,729,006	7,186,000
<b>Net assets</b>		<u><u>30,077,205</u></u>	<u><u>16,996,543</u></u>

**ESSEX CARES LIMITED**  
**REGISTERED NUMBER:06723149**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
<b>Capital and reserves</b>			
Called up share capital	26	100	100
Profit and loss account	27	30,077,105	16,996,443
<b>Equity attributable to owners of the parent Company</b>		<u>30,077,205</u>	<u>16,996,543</u>
		<u>30,077,205</u>	<u>16,996,543</u>

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

*keir lynch*

**K Lynch**  
 Director

Date: 18 January 2023

The notes on pages 25 to 47 form part of these financial statements.

**ESSEX CARES LIMITED**  
**REGISTERED NUMBER:06723149**

**COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	14	382,658	472,677
Tangible assets	15	1,728,547	1,866,929
Investments	16	300	300
		<u>2,111,505</u>	<u>2,339,906</u>
<b>Current assets</b>			
Stocks	17	992,144	1,027,556
Debtors: amounts falling due after more than one year	18	100	100
Debtors: amounts falling due within one year	18	18,357,578	15,071,472
Cash at bank and in hand	19	506,981	257,471
		<u>19,856,803</u>	<u>16,356,599</u>
Creditors: amounts falling due within one year	21	(8,377,848)	(7,815,622)
<b>Net current assets</b>		<u>11,478,955</u>	<u>8,540,977</u>
<b>Total assets less current liabilities</b>		<u>13,590,460</u>	<u>10,880,883</u>
Creditors: amounts falling due after more than one year	22	(5,393)	(195,467)
<b>Provisions for liabilities</b>			
Other provisions	25	(236,868)	(236,868)
		<u>(236,868)</u>	<u>(236,868)</u>
<b>Net assets excluding pension asset</b>		<u>13,348,199</u>	<u>10,448,548</u>
Pension asset	28	1,934,006	635,000
<b>Net assets</b>		<u><u>15,282,205</u></u>	<u><u>11,083,548</u></u>

**ESSEX CARES LIMITED**  
**REGISTERED NUMBER:06723149**

**COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
<b>Capital and reserves</b>			
Called up share capital	26	100	100
Profit and loss account	27	15,282,105	11,083,448
		<u>15,282,205</u>	<u>11,083,548</u>

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

  
**K Lynch**  
 Director

Date: 18 January 2023

The notes on pages 25 to 47 form part of these financial statements.

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**ESSEX CARES LIMITED**


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


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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2021	100	16,996,443	16,996,543
<b>Comprehensive income for the year</b>			
Profit for the year	-	2,166,664	2,166,664
Actuarial gains on pension scheme	-	10,913,998	10,913,998
<b>Total comprehensive income for the year</b>	-	13,080,662	13,080,662
<b>At 31 March 2022</b>	<b>100</b>	<b>30,077,105</b>	<b>30,077,205</b>

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2021**


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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2020	100	13,596,487	13,596,587
<b>Comprehensive income for the year</b>			
Profit for the year	-	2,257,406	2,257,406
Actuarial gains on pension scheme	-	1,995,000	1,995,000
<b>Total comprehensive income for the year</b>	-	4,252,406	4,252,406
Dividends: Equity capital	-	(852,450)	(852,450)
<b>At 31 March 2021</b>	<b>100</b>	<b>16,996,443</b>	<b>16,996,543</b>

The notes on pages 25 to 47 form part of these financial statements.



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**ESSEX CARES LIMITED**


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


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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2021	100	11,083,448	11,083,548
<b>Comprehensive income for the year</b>			
Profit for the year	-	2,647,657	2,647,657
Actuarial gains on pension scheme	-	1,551,000	1,551,000
	-	4,198,657	4,198,657
<b>Total comprehensive income for the year</b>			
	-	4,198,657	4,198,657
<b>At 31 March 2022</b>	<b>100</b>	<b>15,282,105</b>	<b>15,282,205</b>

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**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2021**


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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2020	100	8,761,489	8,761,589
<b>Comprehensive income for the year</b>			
Profit for the year	-	3,114,409	3,114,409
Actuarial gains on pension scheme	-	60,000	60,000
	-	3,174,409	3,174,409
<b>Total comprehensive income for the year</b>			
	-	3,174,409	3,174,409
<b>Contributions by and distributions to owners</b>			
Dividends: Equity capital	-	(852,450)	(852,450)
<b>At 31 March 2021</b>	<b>100</b>	<b>11,083,448</b>	<b>11,083,548</b>

The notes on pages 25 to 47 form part of these financial statements.

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**ESSEX CARES LIMITED**


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**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2022**


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	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	2,166,664	2,257,406
<b>Adjustments for:</b>		
Amortisation of intangible assets	240,383	123,361
Depreciation of tangible assets	302,465	176,066
Interest paid	10,083	12,582
Interest received	-	(264)
Taxation charge	74,943	359,812
Decrease in stocks	35,412	44,998
(Increase) in debtors	(3,924,407)	(2,962,458)
Increase in creditors	957,119	408,843
Increase/(decrease) in provisions	-	(16,658)
Increase in net pension assets/liabs	1,326,000	979,000
Corporation tax (paid)	(363,636)	(214,464)
<b>Net cash generated from operating activities</b>	<u>825,026</u>	<u>1,168,224</u>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(150,364)	(385,636)
Purchase of tangible fixed assets	(164,083)	(373,410)
Interest received	-	264
<b>Net cash from investing activities</b>	<u>(314,447)</u>	<u>(758,782)</u>

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**ESSEX CARES LIMITED**


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**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**


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	2022 £	2021 £
<b>Cash flows from financing activities</b>		
Repayment of/new finance leases	(250,986)	-
Dividends paid	-	(852,450)
Interest paid	(10,083)	(12,582)
<b>Net cash used in financing activities</b>	<u>(261,069)</u>	<u>(865,032)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>249,510</b>	<b>(455,590)</b>
Cash and cash equivalents at beginning of year	<u>257,471</u>	<u>713,061</u>
<b>Cash and cash equivalents at the end of year</b>	<u><b>506,981</b></u>	<u><b>257,471</b></u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	<u>506,981</u>	<u>257,471</u>
	<u><b>506,981</b></u>	<u><b>257,471</b></u>

The notes on pages 25 to 47 form part of these financial statements.

An analysis of changes in net debt is shown in note 20.

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**ESSEX CARES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**1. General information**

Essex Cares Limited is a private company limited by shares and incorporated in England and Wales. Its registered head office is located at Seax House, Victoria Road South, Chelmsford, Essex, CM1 1QH.

The principal activities of the Company and the Group are those of providing social care and associated products and services.

The financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the Company and Group for the year ended 31 March 2022.

Company registered number: 06723149.

**2. Accounting policies****2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

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

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

The following principal accounting policies have been applied:

**2.2 Basis of consolidation**

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

**2.3 Going concern**

The directors have considered the group and company's trading projections in light of the fallout from the Covid-19 pandemic and wider economic uncertainty that exists in the form of inflationary pressures and the possibility of recession. The directors have concluded that there are no material uncertainties which may cast significant doubt upon the entity's ability to continue as a going concern, and accordingly the financial statements have been prepared on a going concern basis.

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**ESSEX CARES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)****2.4 Revenue**

Turnover comprises revenue recognised by the Company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

At the Essex Equipment Service division, turnover represents sales of equipment to third parties net of the cost of buying the equipment back. In addition, there is also the recognition of ancillary handling and transit charges. Refurbishment charges are recognised and scrappage is borne at the cost of the third party.

**2.5 Intangible assets**

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

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

Amortisation is provided on the following bases:

Software	-	33% straight line
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Amortisation is charged to the Statement of Comprehensive Income and included within administrative expenses.

**2.6 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Repairs and maintenance are charged to the Statement of Comprehensive Income during the period in which they are incurred.

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**ESSEX CARES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)****2.6 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Land & Buildings	- 20 years straight line
L/Term Leasehold Property	- 10 years straight line
Plant & machinery	- 2 to 10 years straight line
Fixtures & fittings	- 5 years straight line
Office equipment	- 5 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

**2.7 Operating leases: the Group as lessee**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

**2.8 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.9 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its net realisable value. The impairment loss is recognised immediately in Statement of Comprehensive Income.

**2.10 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

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**ESSEX CARES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)****2.11 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

**2.12 Financial instruments**

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans from related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

**2.13 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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**ESSEX CARES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)****2.14 Finance costs**

Finance costs are charged to the Consolidated Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

**2.15 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**2.16 Pensions****Defined benefit pension plan**

The Group participates in the Essex Pension Fund, which is a defined benefit plan, for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The asset recognised in the Statement of Financial Position in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting date less the fair value of plan assets at the reporting date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Company engages independent actuaries to calculate the obligation in respect of the Company and its subsidiaries. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit asset'.

The cost of the defined benefit plan, recognised in the Statement of Comprehensive Income as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised the Statement of Comprehensive Income as a 'finance expense'.



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**ESSEX CARES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)****2.17 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

**2.18 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

**2.19 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

*Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:*

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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**ESSEX CARES LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**


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**2. Accounting policies (continued)**
**2.20 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of Financial Position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements have had the most significant effect on amounts recognised in the financial statements:

**Defined benefit pension schemes**

The Group participates in the Essex Pension Fund and the West Sussex County Council Pension Fund which have a number of inputs into the valuations. Note 28 shows the assumptions used in arriving at the valuation disclosed. The cost of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty.

**4. Turnover**

An analysis of turnover by country is as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
United Kingdom	<b><u>53,729,580</u></b>	<b><u>49,362,360</u></b>

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**ESSEX CARES LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**


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**5. Operating profit**

The operating profit is stated after charging:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	<b>302,465</b>	176,066
Amortisation of intangible assets, including goodwill	<b>240,383</b>	809,537
Other operating lease rentals	<b>1,282,035</b>	1,931,298
Defined benefit pension cost	<b>1,759,000</b>	1,450,000
	<u><b>          </b></u>	<u><b>          </b></u>

**6. Auditor's remuneration**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<b>49,183</b>	53,625
	<u><b>          </b></u>	<u><b>          </b></u>

**Fees payable to the Group's auditor and its associates in respect of:**

Accounts preparation	<b>3,965</b>	3,500
Other services relating to taxation	<b>6,129</b>	5,675
	<u><b>          </b></u>	<u><b>          </b></u>

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**ESSEX CARES LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**


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**7. Employees**

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

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Wages and salaries	<b>26,367,579</b>	25,614,935	<b>8,435,327</b>	4,161,109
Social security costs	<b>2,146,525</b>	1,957,950	<b>686,700</b>	318,066
Cost of defined benefit scheme	<b>2,022,143</b>	1,069,770	<b>646,909</b>	173,783
	<b><u>30,536,247</u></b>	<u>28,642,655</u>	<b><u>9,768,936</u></b>	<u>4,652,958</u>

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

	<b>2022 No.</b>	<b>2021 No.</b>
Frontline staff	<b>970</b>	1,049
Support staff	<b>201</b>	190
Managerial staff	<b>143</b>	128
	<b><u>1,314</u></b>	<u>1,367</u>

**8. Directors' remuneration**

	<b>2022 £</b>	<b>2021 £</b>
Directors' emoluments	<b><u>829,020</u></b>	<u>797,162</u>

During the year retirement benefits were accruing to 5 directors (2021 - 5) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £217,628 (2021 - £213,436).

The amount of the accrued lump sum in respect of the highest paid director at 31 March 2022 amounted to £66,226 (2021 - £64,928).

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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. Interest receivable**

	2022 £	2021 £
Other interest receivable	-	264
	<u>          </u>	<u>          </u>

**10. Interest payable and similar expenses**

	2022 £	2021 £
Other interest payable	10,083	12,582
	<u>          </u>	<u>          </u>

**11. Other finance income**

	2022 £	2021 £
Net interest on net defined benefit scheme	145,000	148,000
	<u>          </u>	<u>          </u>

**12. Taxation**

	2022 £	2021 £
<b>Corporation tax</b>		
UK corporation tax at 19% (PY: 19%)	74,647	364,341
Adjustments in respect of previous periods	-	(705)
	<u>74,647</u>	<u>363,636</u>
	<u>          </u>	<u>          </u>
<b>Total current tax</b>	<u>74,647</u>	<u>363,636</u>
	<u>          </u>	<u>          </u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	296	(3,824)
	<u>296</u>	<u>(3,824)</u>
	<u>          </u>	<u>          </u>
<b>Taxation on profit on ordinary activities</b>	<u>74,943</u>	<u>359,812</u>
	<u>          </u>	<u>          </u>

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**ESSEX CARES LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**


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**12. Taxation (continued)****Factors affecting tax charge for the year**

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

	2022 £	2021 £
Profit on ordinary activities before tax	<u>2,241,607</u>	<u>2,617,218</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	425,905	497,271
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	5,001	2,655
Adjustments to tax charge in respect of prior periods	(184,325)	(705)
Amounts relating to other comprehensive income or otherwise transferred	294,500	13,490
Adjustments to tax charge in respect of previous periods - deferred tax	-	705
Timing differences not recognised in the computation	(246,810)	18,810
Non-taxable income	(227,851)	(172,414)
Remeasurement of deferred tax for changes in tax rates	(1,357)	-
Other permanent differences	9,880	-
<b>Total tax charge for the year</b>	<u><u>74,943</u></u>	<u><u>359,812</u></u>

**Factors that may affect future tax charges**

On 3 March 2021, the Chancellor of the Exchequer announced that the main rate of corporation tax in the United Kingdom will rise to 25% with effect from 1 April 2023 for companies earning annual taxable profits in excess of £250,000. Companies earning annual taxable profits of £250,000 or less will continue to pay corporation tax at 19% with a marginal rate adjustment for companies earning taxable profits between the two levels. These changes were substantively enacted at the Balance Sheet date and therefore an adjustment has been made to deferred taxation balances to account for this change.

**13. Dividends**

	2022 £	2021 £
Dividends payable	<u>-</u>	<u>852,450</u>

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**ESSEX CARES LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**


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**14. Intangible assets****Group and Company**

	<b>Computer software £</b>
<b>Cost</b>	
At 1 April 2021	1,554,939
Additions	150,364
Disposals	(932,898)
At 31 March 2022	<u>772,405</u>
<b>Amortisation</b>	
At 1 April 2021	1,082,262
Charge for the year on owned assets	240,383
On disposals	(932,898)
At 31 March 2022	<u>389,747</u>
<b>Net book value</b>	
At 31 March 2022	<u><u>382,658</u></u>
At 31 March 2021	<u><u>472,677</u></u>

Amortisation on intangible assets is charged to admin expenses.

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**ESSEX CARES LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**


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**15. Tangible fixed assets****Group and Company**

	Land & buildings £	L/Term Leasehold Property £	Plant & machinery £	Fixtures & fittings £	Office equipment £	Total £
<b>Cost</b>						
At 1 April 2021	829,265	610,409	661,046	1,208,215	630,297	3,939,232
Additions	-	26,135	50,462	28,358	59,128	164,083
Disposals	-	-	(40,152)	(97,062)	(76,586)	(213,800)
Transfers between classes	-	-	-	(24,953)	(57,011)	(81,964)
At 31 March 2022	829,265	636,544	671,356	1,114,558	555,828	3,807,551
<b>Depreciation</b>						
At 1 April 2021	21,073	366,246	505,389	963,031	216,564	2,072,303
Charge for the year on owned assets	8,118	61,259	71,051	61,200	100,837	302,465
Disposals	-	-	(40,152)	(97,062)	(76,586)	(213,800)
Transfers between classes	-	-	(81,964)	-	-	(81,964)
At 31 March 2022	29,191	427,505	454,324	927,169	240,815	2,079,004
<b>Net book value</b>						
At 31 March 2022	800,074	209,039	217,032	187,389	315,013	1,728,547
At 31 March 2021	808,192	244,163	155,657	245,184	413,733	1,866,929



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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**


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**16. Fixed asset investments****Company**

	<b>Investments in subsidiary companies £</b>
<b>Cost or valuation</b>	
At 1 April 2021	300
At 31 March 2022	<u>300</u>
<b>Net book value</b>	
At 31 March 2022	<u>300</u>
At 31 March 2021	<u>300</u>

**17. Stocks**

	<b>Group 2022 £</b>	<i>Group 2021 £</i>	<b>Company 2022 £</b>	<i>Company 2021 £</i>
Finished goods and goods for resale	<u>992,144</u>	<u>1,027,556</u>	<u>992,144</u>	<u>1,027,556</u>

Stock recognised in cost of sales during the year as an expense was £9,879,456 (2021: £7,568,963).

An impairment loss of £Nil (2021: £Nil) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

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**ESSEX CARES LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. Debtors**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
<b>Due after more than one year</b>				
Other debtors	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
<b>Due within one year</b>				
Trade debtors	<b>1,280,966</b>	<b>778,000</b>	<b>1,280,966</b>	<b>778,000</b>
Amounts owed by related party undertakings	<b>16,002,722</b>	<b>12,893,575</b>	<b>16,002,422</b>	<b>13,531,280</b>
Prepayments and accrued income	<b>1,068,536</b>	<b>756,242</b>	<b>1,068,536</b>	<b>756,242</b>
Deferred taxation	<b>5,654</b>	<b>5,950</b>	<b>5,654</b>	<b>5,950</b>
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>18,357,878</b>	<b>14,433,767</b>	<b>18,357,578</b>	<b>15,071,472</b>
	<hr/>	<hr/>	<hr/>	<hr/>

Trade receivables are stated net of an amount provided for doubtful debts. The provision at the year end was £312,591 (2021: £160,778).

**19. Cash and cash equivalents**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Cash at bank and in hand	<b>506,981</b>	<b>257,471</b>	<b>506,981</b>	<b>257,471</b>
	<hr/>	<hr/>	<hr/>	<hr/>

**20. Analysis of changes in net debt**

	<b>At 1 April 2021 £</b>	<b>Cash flows £</b>	<b>At 31 March 2022 £</b>
Cash at bank and in hand	<b>257,471</b>	<b>249,510</b>	<b>506,981</b>
Treasury funds	<b>5,145,000</b>	<b>2,011,000</b>	<b>7,156,000</b>
	<hr/>	<hr/>	<hr/>
	<b>5,402,471</b>	<b>2,260,510</b>	<b>7,662,981</b>
	<hr/>	<hr/>	<hr/>

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**ESSEX CARES LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**


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**21. Creditors: Amounts falling due within one year**

	<b>Group 2022</b>	<b>Group 2021</b>	<b>Company 2022</b>	<b>Company 2021</b>
	£	£	£	£
Trade creditors	576,872	482,883	576,872	482,883
Amounts owed to related party undertakings	698,570	658,446	698,570	658,446
Corporation tax	74,647	363,636	74,647	363,636
Other taxation and social security	1,258,671	1,447,416	1,258,671	1,447,416
L/Term leasehold property obligation	6,987	67,899	6,987	67,899
Accruals and deferred income	5,762,101	4,795,342	5,762,101	4,795,342
	<u>8,377,848</u>	<u>7,815,622</u>	<u>8,377,848</u>	<u>7,815,622</u>

**22. Creditors: Amounts falling due after more than one year**

	<b>Group 2022</b>	<b>Group 2021</b>	<b>Company 2022</b>	<b>Company 2021</b>
	£	£	£	£
L/Term leasehold property obligation	<u>5,393</u>	<u>195,467</u>	<u>5,393</u>	<u>195,467</u>

**23. Financial instruments**

	<b>Group 2022</b>	<b>Group 2021</b>	<b>Company 2022</b>	<b>Company 2021</b>
	£	£	£	£
<b>Financial assets</b>				
Financial assets measured at fair value through profit or loss	506,981	257,471	507,281	257,771
Financial assets measured at amortised cost	18,357,963	14,427,917	18,357,663	15,065,622
	<u>18,864,944</u>	<u>14,685,388</u>	<u>18,864,944</u>	<u>15,323,393</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised	<u>(7,037,232)</u>	<u>(5,936,671)</u>	<u>(7,037,232)</u>	<u>(5,936,671)</u>

Financial assets measured at amortised cost comprise of cash, trade debtors, amounts owed by related entities, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise of bank overdrafts, trade creditors, amounts owed to related entities and accruals.

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**ESSEX CARES LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**


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**24. Deferred taxation****Group**

	<b>2022</b> <b>£</b>
At beginning of year	<b>5,950</b>
Charged to Statement of Comprehensive Income	<b>(296)</b>
<b>At end of year</b>	<b>5,654</b>

**Company**

	<b>2022</b> <b>£</b>
At beginning of year	<b>5,950</b>
Charged to Statement of Comprehensive Income	<b>(296)</b>
<b>At end of year</b>	<b>5,654</b>

The deferred tax asset is made up as follows:

	<b>Group</b> <b>2022</b> <b>£</b>	<i>Group</i> <i>2021</i> <i>£</i>	<b>Company</b> <b>2022</b> <b>£</b>	<i>Company</i> <i>2021</i> <i>£</i>
Short term timing differences	<b>5,654</b>	<i>5,950</i>	<b>5,654</b>	<i>5,950</i>

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**ESSEX CARES LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
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**25. Provisions****Group**

	<b>Buildings dilapidations provision £</b>
At 1 April 2021	236,868
<b>At 31 March 2022</b>	<b>236,868</b>

**Company**

	<b>Buildings dilapidations provision £</b>	<b>Total £</b>
At 1 April 2021	236,868	236,868
<b>At 31 March 2022</b>	<b>236,868</b>	<b>236,868</b>

**Buildings dilapidations provision**

This provision is for the amount which has been valued by an external party that it would cost to return the buildings which are being leased to their original state.

**26. Share capital**

	<b>2022 £</b>	<b>2021 £</b>
<b>Allotted, called up and unpaid</b>		
100 (2021 - 100) Ordinary shares of £1 each	<b>100</b>	<b>100</b>

Share capital represents the nominal value of equity shares. The shares have attached to them voting; dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

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**ESSEX CARES LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
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**27. Reserves****Profit & loss account**

Includes all current and prior period profits and losses.

**28. Pension commitments**

The Group participates in the Essex Pension Fund and the West Sussex County Council Pension Fund which are Defined Benefit Pension Schemes.

The assets of the schemes are held separately from those of the Group and are administered by trustees. No other post-retirement benefits are provided. The scheme is a funded scheme. The assets and liabilities are recognised by each employer according to its individual employees.

The key FRS 102 assumptions used for the scheme are set out below along with details of amounts included within the accounts in respect of the pension scheme.

The pension scheme assets and liabilities were transferred from Essex County Council on 1 July 2009. The transfer was completed on a fully-funded basis using 2007 actuarial valuation assumptions which gave rise to an initial pension scheme asset of £935k calculated using FRS 17 assumptions.

Reconciliation of present value of plan liabilities:

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
At the beginning of the year	<b>83,998,000</b>	65,845,000	<b>11,806,000</b>	9,131,000
Current service cost	<b>1,714,000</b>	1,405,000	<b>288,000</b>	199,000
Interest cost	<b>1,667,000</b>	1,531,000	<b>235,000</b>	212,000
Actuarial (gains)/losses	<b>(3,847,000)</b>	18,789,000	<b>(589,000)</b>	2,794,000
Contributions	<b>223,000</b>	251,000	<b>39,000</b>	40,000
Benefits paid	<b>(1,718,000)</b>	(1,709,000)	<b>(194,000)</b>	(284,000)
Past service costs, including curtailments	<b>(149,000)</b>	(119,000)	-	-
Change in demographic assumptions	-	(1,121,000)	-	(153,000)
Experience loss on defined benefit obligation	<b>172,000</b>	(874,000)	<b>27,000</b>	(133,000)
Effect of settlements	-	-	-	-
	<b>82,060,000</b>	83,998,000	<b>11,612,000</b>	11,806,000

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**


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**28. Pension commitments (continued)**

Reconciliation of present value of plan assets:

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
At the beginning of the year	<b>91,184,000</b>	72,052,000	<b>12,441,000</b>	9,865,000
Interest income	<b>1,812,000</b>	1,679,000	<b>248,000</b>	229,000
Return on assets less interest	<b>7,239,000</b>	18,800,000	<b>989,000</b>	2,568,000
Contributions	<b>466,000</b>	516,000	<b>68,000</b>	69,000
Benefits paid	<b>(1,654,000)</b>	(1,708,000)	<b>(194,000)</b>	(284,000)
Administration expenses	<b>(45,000)</b>	(45,000)	<b>(6,000)</b>	(6,000)
Loss on settlement or curtailment	<b>(161,000)</b>	(110,000)	-	-
<b>At the end of the year</b>	<b>98,841,000</b>	91,184,000	<b>13,546,000</b>	12,441,000

Composition of plan assets:

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Equities	<b>59,349,000</b>	56,341,000	<b>8,134,000</b>	7,688,000
Gilts	<b>2,358,000</b>	2,354,000	<b>323,000</b>	321,000
Other bonds	<b>4,328,000</b>	4,575,000	<b>593,000</b>	624,000
Property	<b>8,107,000</b>	6,492,000	<b>1,111,000</b>	886,000
Cash	<b>2,508,000</b>	4,303,000	<b>344,000</b>	587,000
Alternative assets	<b>12,214,000</b>	10,534,000	<b>1,674,000</b>	1,437,000
Other managed funds	<b>9,977,000</b>	6,585,000	<b>1,367,000</b>	898,000
	<b>98,841,000</b>	91,184,000	<b>13,546,000</b>	12,441,000

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**28. Pension commitments (continued)**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Fair value of plan assets	<b>98,841,000</b>	91,184,000	<b>13,546,000</b>	12,441,000
Present value of plan liabilities	<b>(82,060,000)</b>	(83,998,000)	<b>(11,612,000)</b>	(11,806,000)
Impact of asset ceiling	-	-	-	-
	<b>16,781,000</b>	7,186,000	<b>1,934,000</b>	635,000

The amounts recognised in profit or loss are as follows:

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Current service cost	<b>(1,714,000)</b>	(1,405,000)	<b>(288,000)</b>	(199,000)
Interest on defined benefit scheme	<b>145,000</b>	148,000	<b>13,000</b>	17,000
Administration expenses	<b>(45,000)</b>	(45,000)	<b>(6,000)</b>	(6,000)
	<b>(1,614,000)</b>	(1,302,000)	<b>(281,000)</b>	(188,000)

The Group expects to contribute £1,259,000 (2021: £1,719,000) to its Defined Benefit Pension Scheme in 2022.

The Company expects to contribute £231,000 (2021: £283,000) to its Defined Benefit Pension Scheme in 2022.



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**28. Pension commitments (continued)**

Principal actuarial assumptions at the Statement of Financial Position date (expressed as weighted averages) for both the Group and Company:

	<b>2022</b>	<b>2021</b>
	<b>%</b>	<b>%</b>
Discount rate	<b>2.60</b>	<b>2.00</b>
Future salary increases	<b>4.00</b>	<b>3.60</b>
Future pension increases	<b>3.25</b>	<b>2.85</b>
RPI increases	<b>3.50</b>	<b>2.85</b>
CPI increases	<b>3.25</b>	<b>2.50</b>
Mortality rates		
- for a male aged 65 now	<b>21.60</b>	<b>21.60</b>
- at 65 for a male aged 45 now	<b>23.00</b>	<b>22.90</b>
- for a female aged 65 now	<b>23.70</b>	<b>23.40</b>
- at 65 for a female member aged 45 now	<b>25.10</b>	<b>24.70</b>

Amounts for the current and previous four periods are as follows:

## Group defined benefit pension schemes

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Defined benefit obligation	<b>(82,060,000)</b>	<b>(83,998,000)</b>	<b>(71,354,000)</b>	<b>(77,792,000)</b>
Impact of asset ceiling	<b>-</b>	<b>-</b>	<b>(1,345,000)</b>	<b>(517,000)</b>
Scheme assets	<b>98,841,000</b>	<b>91,184,000</b>	<b>78,906,000</b>	<b>83,648,000</b>
<b>Surplus</b>	<b>16,781,000</b>	<b>7,186,000</b>	<b>6,207,000</b>	<b>5,339,000</b>

## Company defined benefit pension schemes

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Defined benefit obligation	<b>(11,612,000)</b>	<b>(11,806,000)</b>	<b>(14,640,000)</b>	<b>(16,901,000)</b>
Impact of asset ceiling	<b>-</b>	<b>-</b>	<b>(1,345,000)</b>	<b>(517,000)</b>
Scheme assets	<b>13,546,000</b>	<b>12,441,000</b>	<b>16,719,000</b>	<b>17,769,000</b>
<b>Surplus</b>	<b>1,934,000</b>	<b>635,000</b>	<b>734,000</b>	<b>351,000</b>

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**ESSEX CARES LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**


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**29. Commitments under operating leases**

At 31 March 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>Group 2022 £</b>	<i>Group 2021 £</i>	<b>Company 2022 £</b>	<i>Company 2021 £</i>
Not later than 1 year	<b>1,897,181</b>	<i>1,924,551</i>	<b>1,897,181</b>	<i>1,924,551</i>
Later than 1 year and not later than 5 years	<b>379,518</b>	<i>1,115,220</i>	<b>379,518</b>	<i>1,115,220</i>
	<b><u>2,276,699</u></b>	<i><u>3,039,771</u></i>	<b><u>2,276,699</u></b>	<i><u>3,039,771</u></i>

**30. Related party transactions**

The Company has taken advantage of the exemption outlined in FRS 102.33.1A from disclosing transactions with wholly owned members of the Group headed by Essex County Council.

**Key management personnel:**

All directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Group are considered to be key management personnel. Total remuneration in respect of these individuals is £903,816 (2021: £870,801).

**31. Controlling party**

The Company is a wholly owned subsidiary of Essex County Council, the consolidated accounts of which are publicly available on its website at [www.essex.gov.uk](http://www.essex.gov.uk).

The accounts of Essex County Council represent the largest and smallest group of undertakings for which group accounts are drawn up.