

**Strategic Report, Report of the Director and
Financial Statements for the Year Ended 31 March 2023
for
Horizon Healthcare Homes Limited**

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for the Year Ended 31 March 2023**

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Horizon Healthcare Homes Limited

**Company Information
for the Year Ended 31 March 2023**

DIRECTOR: R Williams

SECRETARY: S D Williams

REGISTERED OFFICE: 3 Park Square
Leeds
West Yorkshire
LS1 2NE

REGISTERED NUMBER: 07080448 (England and Wales)

AUDITORS: Q&K Auditors Ltd
14 Clifton Moor Business Village
James Nicolson Link
York
YO30 4XG

**Strategic Report
for the Year Ended 31 March 2023**

REVIEW OF THE BUSINESS, RISKS AND FUTURE DEVELOPMENTS

Horizon Healthcare Homes has continued to build upon its strengths throughout the financial year. Not only has the company again performed well in a market that faces increasing challenges as a result of global financial pressures, but has continued to build upon its quality systems to ensure that the company holds its position as being highly regarded in the West Yorkshire region, as a result of providing high quality care and support to vulnerable people with learning disabilities, physical disabilities and complex health needs.

Occupancy levels in each of the homes is excellent. The company has sustained an average occupancy over the last year of above 97%. Each of the nine residential care homes has continued to effectively recruit staff in a labour market which is struggling to find staff with the necessary skills to provide continuity of services.

Horizon Healthcare Homes has continued to effectively retain staff, which is believed to be due to quality recruitment procedures, which utilises 'value based recruitment'. The core company values continue to run deeply through all elements of the business, which makes this recruitment process much easier to identify those candidates who will make good employees. The company has continued to offer a range of additional benefits, including paying staff above the national minimum wage to support retention. The company has continued to implement a leadership development program for new and aspiring team leaders. This program continues to be very successful in providing the skills and knowledge to managers and aspiring managers and will provide a basis for succession planning for the coming years as the business evolves.

All homes have continued to develop recording systems to evidence the successes of each of the people supported living in services. These lend much needed information to provide to people supported, family members, professionals, commissioners and the Care Quality Commission, who are the regulatory body. Horizon Healthcare Homes have implemented a digital care planning system which is working very well, though the overall implementation plan is still not fully completed. It is anticipated that all elements of this system will be fully implemented by the end of 2023. This will further enhance the evidencing of outcomes and will provide easy access for stakeholders (with the relevant permissions) to be able to monitor progress of individuals.

A new on-line electronic training platform is going to be implemented in the autumn of 2023. This is due to the current system not performing as expected and it is anticipated that the new system will provide a much more effective training management system than previously. Horizon Healthcare Homes has reverted to a fully hybrid method of on line and face to face training since the pandemic.

As the company moves increasingly more to digital recording and management systems, it has been recognised how effective this is in reducing the company's carbon footprint. There are now a number of environmentally sustainable projects within Horizon Healthcare Homes Ltd, which has resulted in an Environmental Sustainability Plan being developed to identify what the business is doing to reduce its carbon footprint further.

As the company has expanded, so have the staffing resources to support its day to day operations. The company's experienced Operations Manager is now firmly embedded within the senior management team and has a focus upon the quality of service delivery. An Operational Support role has also been constructed which has a focus upon the quality of actual practice in the way that care and support is delivered, such that a large proportion of this role will involve coaching and mentoring staff to support people as effectively as possible. These two roles are also leading with the implementation of the Digital Care Planning system. Additional hours have been allocated to the admin function of the business and over the next year a finance administrator role will be developed to support the team.

The company has continued to invest in the environments in which people live to ensure that these are maintained and refreshed to the highest possible standard. Ongoing redecorating and major projects, such as the replacement of more new kitchens and installation of two more garden rooms, to provide additional space for people to spend engaging in activities add functional and aesthetic value to the services. Horizon Healthcare Homes continues to hold the Investors In People Gold award and is hoping to improve upon this in 2024.

The company's key financial performance indicators are to continue to have a balanced retention of profits to allow for future growth and for quality improvements within the existing organisation. The primary objective is being achieved. The board would not allow complacency at any level to arise and thus focus is maintained on annualised profitability. The directors consider turnover and operating profit to be the key performance indicators and management accounts are produced quarterly to allow these to be closely monitored.

**Strategic Report
for the Year Ended 31 March 2023**

ON BEHALF OF THE BOARD:

R Williams - Director

12 December 2023

**Report of the Director
for the Year Ended 31 March 2023**

The director presents his report with the financial statements of the company for the year ended 31 March 2023.

DIVIDENDS

The total distribution of dividends for the year ended 31 March 2023 was £196,000.

DIRECTOR

R Williams held office during the whole of the period from 1 April 2022 to the date of this report.

FINANCIAL INSTRUMENTS

The company's principal financial instruments comprise bank balances, creditors and debtors.

Due to the nature of financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through ensuring sufficient cash balances are held to meet the immediate demands upon the company.

Debtors are managed in respect of credit and cash-flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

**Report of the Director
for the Year Ended 31 March 2023**

ENGAGEMENT WITH EMPLOYEES

There is a very robust supervision and annual appraisal policy and procedure in place which applies to all staff regardless of their job role. All staff undertake a comprehensive induction and are required to fulfil a probationary period which incorporates the passing on of information required to allow all staff to fulfil their job roles and to be aware of the policies and procedures relating to all aspects of their work.

Regular Staff Meetings are held which cover all relevant aspects of the business. The agenda of these meetings follows the same agenda items as the monthly Governance Meeting which is chaired by a Director and includes the entire senior management team. All relevant matters pertaining to the business are minuted and information is filtered from the Governance Meeting into the Staff Meetings and from the Staff Meetings to the Governance Meetings to create a bottom - up communication process as well as a top - down process

The supervision and appraisal system enables managers and their staff to meet on a one to one basis regularly to discuss any relevant matters relating to the business as well as personal issues that might arise and feedback in relation to performance.

Team meetings and Governance meetings follow the same agenda's to enable effective top - down and well as bottom - up communication.

Regular newsletters are produced which capture points of interest from all areas of the business so that staff are aware of what happens in other locations.

The business operates a Quality Assurance Questionnaire for all stakeholders including staff. This provides opportunity for all employees to provide feedback as to their perceptions of the business.

There are regular events which include all employee's and Directors. These are on a much less formal setting and include a company wide celebration at Christmas and a summer fun day event. Other cultural / religious festivals are also identified and celebrated.

All staff are invited to make suggestions to contribute to the company's business development plan. There are many examples of developments which have been implemented as a result of suggestions made by employees. Staff are free to make suggestions at any point throughout the year via the supervision process, team meetings, suggestion boxes, informal discussions with managers / directors.

Directors have a real presence in the business and visit all areas of the business on a regular basis.

The company is accredited by the Investors In People and has been awarded the Gold rating!

The business operates a 'Well Being Group' who identify key issues that might affect individuals and promote information and services that support employees. Examples include obtaining financial support and methods of effectively budgeting during this period of economic uncertainty and rising prices; specific health matters such as diet, exercise and smoking; as well as embracing diversity and promoting awareness relating to LGBTQ+.

As above, employee's are invited to make suggestions formally and informally with regards to business development. These ideas are fed into the development plan and subsequently included within the budget plan for the following year or sooner if there is a more immediate requirement.

The company has reviewed all employee's salaries year on year and provided increases in line with inflation. Staff members on the lowest salaries are all paid above the minimum wage rate which is inherently difficult in the care sector to achieve.

The company purchases a health scheme for staff to recover costs of a range of treatments. The company also purchases a free to use helpline service for all staff to enable them to obtain independent professional advice, which includes financial, consumer, health and mental health, including face to face counselling if required.

**Report of the Director
for the Year Ended 31 March 2023**

The business follows an equal opportunities policy and wishes to recruit and employ those people who are best suited for the vacancies for which they have applied, regardless of sex, sexual orientation, age or perceived age, religion, ethnic origin, race, disability or union membership (or lack of it). All applications (and their ultimate selection or rejection) are reviewed against equality and diversity criteria. The business is registered as a Disability Confident Committed Employer.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Q&K Auditors Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

R Williams - Director

12 December 2023

Report of the Independent Auditors to the Members of Horizon Healthcare Homes Limited

Opinion

We have audited the financial statements of Horizon Healthcare Homes Limited (the 'company') for the year ended 31 March 2023 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

Other information

The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Horizon Healthcare Homes Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Director.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page six, the director is 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 director determines 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 director is responsible for assessing the 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that most significant are those that relate to the financial reporting framework, namely FRS102 and the Companies Act 2006.

We understood how the company is complying with those frameworks by making enquiries of management as to their procedures for identifying and responding to fraud risks.

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override. We considered the controls the company has established to address risk identified by management, or that otherwise seek to prevent, detect or deter fraud and how management monitor those controls.

Based on our understanding, we designed audit procedures to identify non-compliance with laws and regulations. Our procedures included journal entry testing based on our risk assessment, analytical procedures to identify unusual relationships that may indicate the risk of material misstatement and challenging the assumptions and judgements made by management in respect of significant accounting estimates.

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

**Report of the Independent Auditors to the Members of
Horizon Healthcare Homes Limited**

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 a Report of the Auditors 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.

Rob Ormiston ACA (Senior Statutory Auditor)
for and on behalf of Q&K Auditors Ltd
14 Clifton Moor Business Village
James Nicolson Link
York
YO30 4XG

12 December 2023

**Income Statement
for the Year Ended 31 March 2023**

	Notes	2023 £	2022 £
TURNOVER		8,144,397	6,834,669
Cost of sales		<u>4,890,328</u>	<u>4,024,742</u>
GROSS PROFIT		<u>3,254,069</u>	<u>2,809,927</u>
Administrative expenses		<u>1,335,492</u>	<u>1,257,190</u>
		1,918,577	1,552,737
Other operating income		<u>7,555</u>	<u>285,202</u>
OPERATING PROFIT	4	<u>1,926,132</u>	<u>1,837,939</u>
Interest payable and similar expenses	5	<u>-</u>	<u>20,259</u>
PROFIT BEFORE TAXATION		<u>1,926,132</u>	<u>1,817,680</u>
Tax on profit	6	<u>385,586</u>	<u>438,642</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>1,540,546</u></u>	<u><u>1,379,038</u></u>

The notes form part of these financial statements

Horizon Healthcare Homes Limited (Registered number: 07080448)

**Other Comprehensive Income
for the Year Ended 31 March 2023**

	Notes	2023 £	2022 £
PROFIT FOR THE YEAR		1,540,546	1,379,038
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME			
FOR THE YEAR		<u>1,540,546</u>	<u>1,379,038</u>

The notes form part of these financial statements

Horizon Healthcare Homes Limited (Registered number: 07080448)

**Balance Sheet
31 March 2023**

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Tangible assets	8		9,213,614		9,259,090
CURRENT ASSETS					
Debtors	9	156,964		482,884	
Cash at bank and in hand		2,331,904		731,332	
		2,488,868		1,214,216	
CREDITORS					
Amounts falling due within one year	10	320,577		399,540	
NET CURRENT ASSETS			2,168,291		814,676
TOTAL ASSETS LESS CURRENT LIABILITIES			11,381,905		10,073,766
CREDITORS					
Amounts falling due after more than one year	11		(46,571)		(116,536)
PROVISIONS FOR LIABILITIES	13		(323,552)		(289,994)
NET ASSETS			11,011,782		9,667,236
CAPITAL AND RESERVES					
Called up share capital	14		200		200
Retained earnings	15		11,011,582		9,667,036
SHAREHOLDERS' FUNDS			11,011,782		9,667,236

The financial statements were approved by the director and authorised for issue on 12 December 2023 and were signed by:

R Williams - Director

**Statement of Changes in Equity
for the Year Ended 31 March 2023**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2021	200	8,404,998	8,405,198
Changes in equity			
Dividends	-	(117,000)	(117,000)
Total comprehensive income	-	1,379,038	1,379,038
Balance at 31 March 2022	200	9,667,036	9,667,236
Changes in equity			
Dividends	-	(196,000)	(196,000)
Total comprehensive income	-	1,540,546	1,540,546
Balance at 31 March 2023	200	11,011,582	11,011,782

**Cash Flow Statement
for the Year Ended 31 March 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	2,466,912	1,479,753
Interest paid		-	(20,259)
Government grant income received		7,554	285,202
Tax paid		(400,001)	(589,305)
Net cash from operating activities		<u>2,074,465</u>	<u>1,155,391</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(225,578)	(220,086)
Sale of tangible fixed assets		17,650	-
Net cash from investing activities		<u>(207,928)</u>	<u>(220,086)</u>
Cash flows from financing activities			
Loan repayments in year		-	(1,469,076)
Amount introduced by directors		196,000	117,001
Amount withdrawn by directors		(265,965)	(245,454)
Equity dividends paid		(196,000)	(117,000)
Net cash from financing activities		<u>(265,965)</u>	<u>(1,714,529)</u>
Increase/(decrease) in cash and cash equivalents		<u>1,600,572</u>	<u>(779,224)</u>
Cash and cash equivalents at beginning of year	2	731,332	1,510,556
Cash and cash equivalents at end of year	2	<u><u>2,331,904</u></u>	<u><u>731,332</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 March 2023

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2023	2022
	£	£
Profit before taxation	1,926,132	1,817,680
Depreciation charges	258,505	236,881
Profit on disposal of fixed assets	(5,100)	-
Government grants	(7,555)	(285,202)
Finance costs	-	20,259
	<u>2,171,982</u>	<u>1,789,618</u>
Decrease/(increase) in trade and other debtors	325,920	(338,387)
(Decrease)/increase in trade and other creditors	<u>(30,990)</u>	<u>28,522</u>
Cash generated from operations	<u>2,466,912</u>	<u>1,479,753</u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2023

	31/3/23	1/4/22
	£	£
Cash and cash equivalents	<u>2,331,904</u>	<u>731,332</u>

Year ended 31 March 2022

	31/3/22	1/4/21
	£	£
Cash and cash equivalents	<u>731,332</u>	<u>1,510,556</u>

3. **ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/4/22	Cash flow	At 31/3/23
	£	£	£
Net cash			
Cash at bank and in hand	<u>731,332</u>	<u>1,600,572</u>	<u>2,331,904</u>
	<u>731,332</u>	<u>1,600,572</u>	<u>2,331,904</u>
Total	<u>731,332</u>	<u>1,600,572</u>	<u>2,331,904</u>

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

1. STATUTORY INFORMATION

Horizon Healthcare Homes Limited is a private company, limited by shares, registration number 07080448 (England and Wales).

The company registered office address is 3 Park Square, Leeds, West Yorkshire, LS1 2NE.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents the value of the provision of social care service charges.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Office equipment	- 33% on cost and 25% on reducing balance
Fixtures and fittings	- 15% on cost
Motor vehicles	- 25% on reducing balance

Government grants

Government grants are recognised in the financial statements only when there is reasonable assurance that the company has met the required conditions and that the grants will be received.

Grants relating to revenue are recognised in profit and loss on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate.

Capital based grants are recognised in profit and loss on a systematic basis over the useful economic life of the related asset.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

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

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

	2023	2022
	£	£
Wages and salaries	4,308,465	3,569,577
Social security costs	314,357	241,910
Other pension costs	161,577	159,230
	<u>4,784,399</u>	<u>3,970,717</u>

The average number of employees during the year was as follows:

	2023	2022
Administration	9	8
Care	251	222
	<u>260</u>	<u>230</u>

	2023	2022
	£	£
Director's remuneration	12,000	12,000
Director's pension contributions to money purchase schemes	<u>40,000</u>	<u>40,000</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2023	2022
	£	£
Hire of plant and machinery	40,108	40,897
Depreciation - owned assets	258,504	236,881
Profit on disposal of fixed assets	(5,100)	-
Auditors' remuneration	<u>4,410</u>	<u>3,600</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2023	2022
	£	£
Bank loan interest	<u>-</u>	<u>20,259</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

6. **TAXATION**

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2023 £	2022 £
Current tax:		
UK corporation tax	352,028	357,047
Deferred tax	33,558	81,595
Tax on profit	<u>385,586</u>	<u>438,642</u>

UK corporation tax has been charged at 19% (2022 - 19%).

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2023 £	2022 £
Profit before tax	<u>1,926,132</u>	<u>1,817,680</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	365,965	345,359
Effects of:		
Expenses not deductible for tax purposes	23,580	23,684
Capital allowances in excess of depreciation	(12,013)	-
Different tax rate for deferred tax	8,054	69,599
Total tax charge	<u>385,586</u>	<u>438,642</u>

7. **DIVIDENDS**

	2023 £	2022 £
Ordinary shares of £1 each		
Interim	<u>196,000</u>	<u>117,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

8. TANGIBLE FIXED ASSETS

	Freehold property £	Office equipment £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2022	9,541,104	82,861	593,449	67,868	10,285,282
Additions	-	3,722	113,871	107,985	225,578
Disposals	-	-	-	(19,448)	(19,448)
At 31 March 2023	9,541,104	86,583	707,320	156,405	10,491,412
DEPRECIATION					
At 1 April 2022	599,295	62,552	328,643	35,702	1,026,192
Charge for year	155,041	8,923	73,385	21,155	258,504
Eliminated on disposal	-	-	-	(6,898)	(6,898)
At 31 March 2023	754,336	71,475	402,028	49,959	1,277,798
NET BOOK VALUE					
At 31 March 2023	8,786,768	15,108	305,292	106,446	9,213,614
At 31 March 2022	8,941,809	20,309	264,806	32,166	9,259,090

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	87,498	422,647
Sundry debtors	4,000	5,134
Prepayments and accrued income	65,466	55,103
	<u>156,964</u>	<u>482,884</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	30,063	63,310
Corporation tax	109,074	157,047
Social security and other taxes	62,327	77,935
Other creditors and accruals	119,113	101,248
	<u>320,577</u>	<u>399,540</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023 £	2022 £
Directors' loan accounts	<u>46,571</u>	<u>116,536</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

12. **LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	74,441	56,318
Between one and five years	135,158	123,984
In more than five years	2,229	-
	<u>211,828</u>	<u>180,302</u>

13. **PROVISIONS FOR LIABILITIES**

	2023	2022
	£	£
Deferred tax	<u>323,552</u>	<u>289,994</u>
		Deferred tax
		£
Balance at 1 April 2022		289,994
Capital allowances in excess of depreciation		33,558
Balance at 31 March 2023		<u>323,552</u>

In the opinion of the director, the deferred tax provision is unlikely to be reversed in the next accounting period.

14. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			2023	2022
Number:	Class:	Nominal value:	£	£
200	Ordinary	£1	<u>200</u>	<u>200</u>

15. **RESERVES**

	Retained earnings
	£
At 1 April 2022	9,667,036
Profit for the year	1,540,546
Dividends	(196,000)
At 31 March 2023	<u>11,011,582</u>

16. **RELATED PARTY DISCLOSURES**

During the year, total dividends of £98,000 (2022 - £58,500) were paid to the director .

17. **ULTIMATE CONTROLLING PARTY**

The company has no ultimate controlling party.

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