

Highpoint Care Holdings LLP

Annual Report and Consolidated Financial Statements

for the Year Ended 30 September 2021

Barlow Andrews LLP
Chartered Accountants and Statutory Auditor
Carlyle House
78 Chorley New Road
Bolton
BL1 4BY

TUESDAY



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COMPANIES HOUSE

Highpoint Care Holdings LLP

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Highpoint Care Holdings LLP

Limited liability partnership information

Designated members	Dr Hemant Kumar Patel Dr Katherine Mary Patel
Registered office	Colliers Croft Clipsley Lane Haydock St Helens Merseyside WA11 0JG
Auditors	Barlow Andrews LLP Chartered Accountants and Statutory Auditor Carlisle House 78 Chorley New Road Bolton BL1 4BY

Highpoint Care Holdings LLP

Members' Report for the Year Ended 30 September 2021

The members present their report and the consolidated financial statements for the year ended 30 September 2021.

Firm structure

The LLP is a limited liability partnership registered in England and Wales.

Principal activity

The principal activity of the limited liability partnership is holding entity of trading subsidiary companies. The principal activity of the group is that of provision of nursing home care.

Review of the business and future developments

The turnover of the business has continued to increase. The group's profit increased substantially from the previous period.

The group, in line with other care homes around the country, continued to receive grants from councils during the year to assist with staffing and other costs during Covid-19 restrictions. In addition, the group also took advantage, where appropriate, of assistance provided by the Government's job retention scheme for staff who had been furloughed, following requirements to shield, in accordance with UK government health mandates.

The latter part of 2021 continued to be a challenging time as the Omicron variant impacted the country. However, the group's results continued the improvement shown in the 2020 accounts as vaccinations allowed the care homes to increase occupancy. As the homes move to full capacity occupation it is envisaged that trading results will improve still further.

The limited liability partnership's key financial and other performance indicators during the year were as follows:

	Unit	2021	2020
Turnover	£	4,280,685	3,990,827
Nursing Staff + Food costs as % of Turnover	%	57	53

Future developments

Now that residents and staff are vaccinated and care homes are allowed to accept visitors, it is envisaged that the residents activities and similar will fully resume in due course. There are no plans to further develop the care homes. As they return to full capacity, the members are looking to increase the private paying residents to help profitability.

Going concern

Despite the ongoing difficulties caused by Covid-19, the group has made a substantially increased profit during the accounting period. Forecasts and results for the period to date indicate that the following year's results are likely to be as good if not better, with the outlook improving as restrictions are eased. The group has, in line with other care homes, received Government assistance in the form of grants to cover specific expenditure in relation to Covid-19 and the furlough scheme for employees required to shield. Once the homes are fully occupied then it is envisaged that the results will improve further.

Designated members

The members who held office during the year were as follows:

Dr Hemant Kumar Patel

Dr Katherine Mary Patel

Highpoint Care Holdings LLP

Members' Report for the Year Ended 30 September 2021 (continued)

Financial Instruments

Objectives and policies

The members see the key business risk being the level of funding provided by Councils compared to the increase in costs required to ensure the requisite level of care continues to be provided. The company is looking to move toward private resident funding rather than local authority funding.

The members believe that as local authorities will increasingly be limited to small annual increases in the weekly rates they are able to pay care providers, that such a strategy will substantially lessen the price risk.

Staffing requirements have seen an increased risk in the last couple of years, partly as a result of fewer staff available in the sector due to the pandemic and then due to the mandatory requirement for all staff working in care homes to be vaccinated. The company had minimal staff numbers affected by this mandate. The government has recently announced consultation on whether to remove the vaccination mandate. These factors have, however, resulted in some pressure on employment costs. With increased day to day involvement of the members in running the business, the group is keeping a close watch on these matters and looking to mitigate any increased costs by increased private patients and moving the homes to full capacity.

Due to group funding by way of a CBILS loan, which has been used to provide assistance to the group and the monies previously introduced into the business by the members, it is considered that the credit risk is lower than might otherwise be the case. However, there is still a risk due to potential increases in bank base rates. The members have sought to manage this risk by formalising the bank loans across the group and have fixed rate loans for a period of time, which will assist with managing the cash-flow risk.

Members' drawings and the subscription and repayment of members' capital

The net income of the LLP shall be distributed to the members pro-rata to their respective capital contributions. Contributions are made to the LLP as and when required.

Auditor

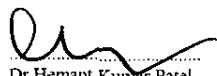
In accordance with section 485 of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), a resolution for the re-appointment of Barlow Andrews LLP as auditors of the group limited liability partnership is to be proposed at the forthcoming Annual General Meeting.

Statement of disclosure to auditor

Each of the members in office at the date of approval of this annual report confirms that:

- so far as the members are aware, there is no relevant audit information of which the limited liability partnership's auditor is unaware, and
- the members have taken all the steps that they ought to have taken as members in order to make themselves aware of any relevant audit information and to establish that the limited liability partnership's auditor is aware of that information.

Approved by the Board on 30 November 2022 and signed on its behalf by:


Dr Hemant Kumar Patel
Designated member


Dr Katherine Mary Patel
Designated member

Highpoint Care Holdings LLP

Statement of Members' Responsibilities for the Year Ended 30 September 2021

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

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law as applied to LLPs the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and limited liability partnership and of the profit or loss of the group and limited liability partnership for that year. In preparing these financial statements, the members 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and partnership will continue in business.

The members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the limited liability partnership and enable them to ensure that the financial statements comply with the Companies Act 2006, as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, and in accordance with the requirements of the Statement of Recommended Practice Accounting by Limited Liability Partnerships (issued in December 2018). They are also responsible for safeguarding the assets of the limited liability partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

These responsibilities are exercised by the Board on behalf of the members.

Highpoint Care Holdings LLP

Independent Auditor's Report to the Members of Highpoint Care Holdings LLP

Opinion

We have audited the financial statements of Highpoint Care Holdings LLP (the limited liability partnership) and its subsidiaries (the 'group') for the year ended 30 September 2021, which comprise the Consolidated Profit and Loss Account, Consolidated Statement of Comprehensive Income, Consolidated statement of changes in equity, Statement of changes in equity, Consolidated Balance Sheet, Balance Sheet, Consolidated Cash Flow Statement, Cash Flow Statement, 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 limited liability partnership's affairs as at 30 September 2021 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, as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

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 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 members' 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 limited liability partnership'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 members with respect to going concern are described in the relevant sections of this report.

Other information

The members 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.

Highpoint Care Holdings LLP

Independent Auditor's Report to the Members of Highpoint Care Holdings LLP (continued)

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.

Matters on which we are required to report by exception

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 by the limited liability partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- the limited liability partnership financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of members

As explained more fully in the Statement of Members' Responsibilities [set out on page 4], the members 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 members 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 members are responsible for assessing the group's and the limited liability partnership'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 members either intend to liquidate the group or the limited liability partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group through discussions with members and other management, and from our commercial knowledge and experience of the care sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Care Quality Commission;

Highpoint Care Holdings LLP

Independent Auditor's Report to the Members of Highpoint Care Holdings LLP (continued)

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Limited Liability Partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied to Limited Liability Partnerships (Accounts and Audit) Regulations 2008. Our audit work has been undertaken so that we might state to the group and limited liability partnership'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 group and limited liability partnership, and the group and limited liability partnership members as a body, for our audit work, for this report, or for the opinions we have formed.

Highpoint Care Holdings LLP

**Independent Auditor's Report to the Members of Highpoint Care Holdings LLP
(continued)**

Alison Cornes (Senior Statutory Auditor)
For and on behalf of Barlow Andrews LLP, Statutory Auditor

Chartered Accountants and Statutory Auditor
Carlisle House
78 Chorley New Road
Bolton
BL1 4BY

30 November 2022

Highpoint Care Holdings LLP

Consolidated Profit and Loss Account for the Year Ended 30 September 2021

	Note	2021 £	2020 £ As restated
Turnover	2	4,280,685	3,990,827
Cost of sales		<u>(2,426,354)</u>	<u>(2,130,510)</u>
Gross profit		1,854,331	1,860,317
Administrative expenses		(1,770,672)	(1,745,238)
Other operating income	3	<u>393,460</u>	<u>313,852</u>
Operating profit	4	477,119	428,931
<i>Other interest receivable and similar income</i>		3	6
Interest payable and similar expenses	5	<u>(257,176)</u>	<u>(324,025)</u>
Profit for the year before taxation and members' remuneration charged as an expense		219,946	104,912
Taxation	9	<u>89,985</u>	<u>(6,627)</u>
Profit for the year before members' remuneration and profit shares		309,931	98,285
Members' remuneration charged as an expense		<u>(41,605)</u>	<u>(26,349)</u>
Profit for the year available for discretionary division among members		<u>268,326</u>	<u>71,936</u>
Profit/(loss) attributable to:			
Owners of the parent		268,326	71,936

Turnover and operating profit derive wholly from continuing operations.

The notes on pages 18 to 35 form an integral part of these financial statements.

Highpoint Care Holdings LLP

Consolidated Statement of Comprehensive Income for the Year Ended 30 September 2021

	Note	2021 £	2020 £
Profit for the year available for discretionary division among members		268,326	71,936
<i>Gains arising on revaluation of tangible fixed assets</i>		5,286,673	-
Deferred tax on revaluation gains		<u>(696,857)</u>	<u>-</u>
Total comprehensive income for the year available for discretionary division among members		<u>4,858,142</u>	<u>71,936</u>
Total comprehensive income attributable to:			
Owners of the parent		4,858,142	71,936

The notes on pages 18 to 35 form an integral part of these financial statements.

Highpoint Care Holdings LLP

Consolidated Statement of Changes in Equity for the Year Ended 30th September 2021

	£
Loans and other debts due to members	As restated
1 October 2019 - as previously restated	2,823,618
Repayment of loans	(362,461)
30 September 2020 - as previously restated	2,461,157
Repayment of loans	(334,110)
Balance at 30 September 2021	2,127,047

	Revaluation Reserve £	Capital £	Other Reserves £	Total Equity £
Members' other interests				
1 October 2019	0	13,221	(754,668)	(741,447)
Profit (loss) available for discretionary division among members	-	-	71,936	71,936
Balance at 30 September 2020	-	13,221	(682,732)	(669,511)
Profit/(loss) available for discretionary division among members	-	-	268,327	268,327
Net surplus on revaluation of fixed assets	4,589,816	-	-	4,589,816
Balance at September 2021	4,589,816	13,221	(414,405)	4,188,632

The notes on pages 18 to 35 form an integral part of these financial statements.

Highpoint Care Holdings LLP

LLP Statement of Changes in Equity for the Year Ended 30th September 2021

Members' other interests	Capital £	Other Reserves £	Total Equity £
1 October 2019	13,221	(16,764)	(3,543)
(Loss) available for discretionary division among members	-	(7,601)	(7,601)
Balance at 30 September 2020	13,221	(24,365)	(11,144)
(Loss) available for discretionary division among members	-	7,887	7,887
Balance at 30 September 2021	<u>13,221</u>	<u>(32,252)</u>	<u>(19,031)</u>

The notes on pages 18 to 35 form an integral part of these financial statements.

Highpoint Care Holdings LLP**(Registration number: OC386960)****Consolidated Balance Sheet as at 30 September 2021**

	Note	2021 £	2020 £ As restated
Fixed assets			
Tangible assets	11	15,120,400	9,974,045
Current assets			
Debtors	13	799,110	608,320
Cash and short-term deposits		<u>14,131</u>	<u>246,831</u>
		813,241	855,151
Creditors: Amounts falling due within one year	14	<u>(1,835,916)</u>	<u>(1,431,362)</u>
Net current liabilities		<u>(1,022,675)</u>	<u>(576,211)</u>
Total assets less current liabilities		14,097,725	9,397,834
Creditors: Amounts falling due after more than one year	15	(7,085,190)	(7,606,188)
Provisions for liabilities			
Deferred Tax	17	<u>(696,857)</u>	<u>-</u>
Net assets attributable to members		<u>6,315,678</u>	<u>1,791,646</u>
Represented by:			
Loans and other debts due to members			
Members' other interest		2,127,047	2,461,157
Members' other interests			
Members' capital classified as equity		13,221	13,221
Revaluation reserve		4,589,816	-
Other reserves		<u>(414,406)</u>	<u>(682,732)</u>
		4,188,631	(669,511)
		<u>6,315,678</u>	<u>1,791,646</u>
Total members' interests			
Loans and other debts due to members		2,127,047	2,461,157
Equity		<u>4,188,631</u>	<u>(669,511)</u>
		<u>6,315,678</u>	<u>1,791,646</u>

The financial statements of Highpoint Care Holdings LLP (registered number OC386960) were approved by the Board and authorised for issue on 30 November 2022. They were signed on behalf of the limited liability partnership by:

The notes on pages 18 to 35 form an integral part of these financial statements.

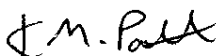
Highpoint Care Holdings LLP

(Registration number: OC386960)

Consolidated Balance Sheet as at 30 September 2021 (continued)



Dr Hemant Kumar Patel
Designated member



Dr Katherine Mary Patel
Designated member


The notes on pages 18 to 35 form an integral part of these financial statements
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Highpoint Care Holdings LLP
(Registration number: OC386960)
Balance Sheet as at 30 September 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	12	300	300
Current assets			
Debtors	13	74	-
Cash and short-term deposits		<u>127</u>	<u>24</u>
		201	24
Creditors: Amounts falling due within one year	14	<u>(19,532)</u>	<u>(11,468)</u>
Net current liabilities		<u>(19,331)</u>	<u>(11,444)</u>
Net liabilities attributable to members		<u>(19,031)</u>	<u>(11,144)</u>
Represented by:			
Members' other interests			
Members' capital classified as equity		13,221	13,221
Other reserves		<u>(32,252)</u>	<u>(24,365)</u>
		<u>(19,031)</u>	<u>(11,144)</u>
		<u>(19,031)</u>	<u>(11,144)</u>
Total members' interests			
Equity		<u>(19,031)</u>	<u>(11,144)</u>
		<u>(19,031)</u>	<u>(11,144)</u>

As permitted by section 408 of the Companies Act 2006, as applied to Limited Liability Partnerships, the LLP has opted not to present a separate profit and loss and related notes. The partnership loss for the year, available for discretionary division among members, was (£7,887) (2020 - (£7,601)).

The financial statements of Highpoint Care Holdings LLP (registered number OC386960) were approved by the Board and authorised for issue on 30 November 2022. They were signed on behalf of the limited liability partnership by:


Dr Hemant Kumar Patel
Designated member


Dr Katherine Mary Patel
Designated member

Highpoint Care Holdings LLP

Consolidated Cash Flow Statement for the Year Ended 30 September 2021

	Note	2021 £	As restated 2020 £
Net cash inflow from operating activities	19	1,055,891	814,273
Cash flows from financing activities			
Repayment of loans and borrowings		(593,589)	(239,400)
Repayment of capital element of finance leases and HP contracts		(22,646)	(33,793)
Value of new loans obtained during the period		-	500,000
Payments to or on behalf of members		(334,108)	(362,470)
Capital contributions by members		-	2,331
Corporation tax paid		(25,971)	(8,977)
Interest paid		(257,177)	(324,024)
Net cash flows from financing activities		(1,233,491)	(466,333)
Cash flows from investing activities			
Purchase of tangible fixed assets		(196,188)	(142,641)
Sale of tangible fixed assets		19,497	26,647
Interest received		3	6
Net cash flows from investing activities		(176,688)	(115,988)
Net (decrease) increase in cash and cash equivalents		(354,288)	231,952
Cash and cash equivalents at 1 October		226,331	(5,621)
Cash and cash equivalents at 30 September		(127,957)	226,331
Reconciliation to Cash at bank and in hand category movement (adjusted for overdrafts)			
Cash and short-term deposits		14,131	246,831
Bank overdrafts		(142,088)	(20,500)
		(127,957)	226,331

The notes on pages 18 to 35 form an integral part of these financial statements.

Highpoint Care Holdings LLP

Cash Flow Statement for the Year Ended 30 September 2021

	Note	2021 £	2020 £
Net cash inflow (outflow) from operating activities	19	103	(2,343)
Cash flows from financing activities			
Capital contributions by members		-	2,331
Net increase (decrease) in cash and cash equivalents		103	(12)
Cash and cash equivalents at 1 October		24	36
Cash and cash equivalents at 30 September		127	24

The notes on pages 18 to 35 form an integral part of these financial statements.

Highpoint Care Holdings LLP

Notes to the Financial Statements for the Year Ended 30 September 2021

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Statement of Recommended Practice Accounting for Limited Liability Partnerships (issued in December 2018) effective for accounting periods commencing on or after 1st January 2019.

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

For the year ended 30 September 2021, Highpoint Care Group Limited (registered number 12008250) and Highpoint Care (Kew) Limited (registered number 10662949) are exempt from the requirement of an audit, by virtue of s479A of the Companies Act 2006, for their individual accounts as Highpoint Care Holdings LLP, the parent undertaking, has provided a guarantee to the relevant subsidiary under s479C in respect of the year ended 30 September 2021.

General information and basis of accounting

The limited liability partnership is incorporated in England and Wales under the Limited Liability Partnership Act 2000. The address of the registered office is given on the limited liability partnership information page. The nature of the limited liability partnership's operations and its principal activities are given in the members' report.

These financial statements have been prepared using the historical cost convention modified to include land and buildings at fair value.

Highpoint Care Holdings LLP

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

1 Accounting policies (continued)

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the limited liability partnership and its subsidiary undertakings drawn up to 30 September 2021.

A subsidiary is an entity controlled by the limited liability partnership. Control is achieved where the limited liability partnership has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the profit and loss account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the limited liability partnership and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Prior period adjustment

The 2020 financial statements have been restated in regards to loans due to members. The loan balances are correctly shown as creditors within the financial statements of the subsidiary companies. Within the financial statements of Highpoint Care Holdings LLP the 2020 loan balance, being £2,461,157 has been reclassified as members' interests rather than being included within creditors. The interest charges on this balance, £26,349, has been restated as members remuneration rather than being included in the financial statements as an interest expense. Profit available for discretionary division among members remains at £71,936.

Highpoint Care Holdings LLP

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

1 Accounting policies (continued)

Going concern

The group has made a profit before taxation during the current accounting period. At the beginning of the pandemic costs increased substantially, but subsequently and over the course of the rest of the accounts period, the group received grants from the Council, which offset a large portion of the increased costs. In addition, in the previous financial period the group took advantage of government backed business loans, which have given more security in the medium term over the cost of funding.

Since the year-end staff and care home residents have received vaccinations to protect against Covid-19 and it is envisaged that this will enable the business to continue to be profitable.

Cash flow continues to be an area of concern. Cash flow forecasts have been prepared and are being monitored by the members. Post year-end, the company's bankers have agreed to a capital repayment holiday in regard to the main bank loans. The members have agreed to only seek repayment of their loans when funds permit.

Accordingly, the financial statements have been prepared on a going concern basis.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the group's activities. Turnover is shown net of any discounts. Revenue is recognised on the delivery of care to the homes' residents. Income that is invoiced in advance or arrears is apportioned so that only that relating to the period of the financial statements is included in turnover.

Government grants

Government Grants are recognised when the company has an entitlement to the funds, having satisfied any conditions attaching to the making of the grant. Where performance conditions are attached to the grant and have yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income.

Highpoint Care Holdings LLP

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

1 Accounting policies (continued)

Members' remuneration and division of profits

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example in respect of amounts subscribed or otherwise contributed, remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with section 22 of FRS 102. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

All amounts due to members that are classified as liabilities are presented within "Loans and other debts due to members" and, where such an amount relates to current year profits, they are recognised within 'Members' remuneration charged as an expense' in arriving at the relevant year's result. Undivided amounts that are classified as equity are shown within 'Members' other interest. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

Where there exists an asset and liability component in respect of an individual member's participation rights, they are presented on a gross basis unless the LLP has both a legally enforceable right to set off the recognised amounts, and it intends either to settle on a net basis or to settle and realise these amounts simultaneously in which case they are presented net.

Once an unavoidable obligation has been created in favour of members through allocation of profits or other means, any undrawn profits remaining at the reporting date are shown as 'Loans and other debts due to members' to the extent they exceed debts due from a specific member.

Taxation

The taxation payable on the limited liability partnership's profits is the personal liability of the members, although payment of such liabilities is administered by the limited liability partnership on behalf of its members. Consequently, neither partnership taxation nor related deferred taxation is accounted for within the financial statements of the limited liability partnership only.

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

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 operates and generates taxable income.

Deferred tax liabilities are recognised in respect of timing differences that exist at the reporting date, timing differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from the recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probably that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Highpoint Care Holdings LLP

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

1 Accounting policies (continued)

Tangible fixed assets

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

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

Land and property is stated in the balance sheet at valuation. This is a change in accounting policy to the prior year, whereby land and property was included within the financial statements at cost less accumulated depreciation. The impact of the revaluation can be seen in note 11 to the accounts.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Plant and machinery	10% Straight Line
Fixtures, fittings and equipment	15% Reducing Balance
Motor vehicles	25% Reducing Balance

Impairment of assets

The Land and Buildings are subject to an annual impairment review by the Members and by professional valuers as and when required to ensure that the value of the properties in the accounts reflect their current value.

Investments

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

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

Trade debtors

Trade debtors are amounts due from residents for services performed.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the limited liability partnership will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits.

Trade creditors

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

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Highpoint Care Holdings LLP

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

1 Accounting policies (continued)

Borrowings

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

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

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

Provisions

Provisions are recognised when the limited liability partnership has an obligation at the reporting date as a result of a past event, it is probable that the limited liability partnership will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leases

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

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

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

Defined contribution pension obligation

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

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

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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

Highpoint Care Holdings LLP

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

1 Accounting policies (continued)

Financial instruments

Classification

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

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the limited liability partnership intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Judgements and estimates

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are to be recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Turnover

The analysis of the LLP's revenue for the year is as follows:

	2021 £	2020 £
Income from Care Homes	<u>4,280,685</u>	<u>3,990,827</u>

3 Other operating income

	2021 £	2021 £
RHI income	37,718	38,558
Council grants re covid-19	336,337	252,788
HMRC - JRS grant	<u>19,405</u>	<u>22,506</u>
	<u>393,460</u>	<u>313,852</u>

Highpoint Care Holdings LLP

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

4 Operating profit

Operating profit is stated after charging:

	2021 £	2020 £
Operating leases - other assets	11,590	18,914
Profit on sale of tangible fixed assets	(5,692)	(1,781)
Depreciation	388,423	388,287
Auditors remuneration	<u>22,968</u>	<u>22,000</u>

5 Interest payable and similar charges

	2021 £	2020 £
Interest on bank borrowings and overdrafts	141,005	303,798
Interest on other loans	113,104	19,289
Finance charges	<u>3,067</u>	<u>938</u>
	<u>257,176</u>	<u>324,025</u>

Highpoint Care Holdings LLP

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

6 Particulars of employees

The average number of persons employed by the group during the year, are categorised below. Other than the members there are no employees in the Limited Liability Partnership

	2021 No.	2020 No.
Nursing Staff	103	88
Administration and Support	34	35
Key Management	2	2
Members (who are the directors of trading subsidiaries)	2	2
	<u>141</u>	<u>127</u>

The aggregate payroll costs were as follows:

	2021 £	2020 £
Wages and salaries	2,657,772	2,363,336
Social security costs	166,404	158,642
Pension schemes	46,782	40,103
	<u>2,870,958</u>	<u>2,562,081</u>

7 Members' remuneration

	2021	2020
Average number of members during the year	<u>2</u>	<u>3</u>

8 Auditor's remuneration

	2021 £	2020 £
Audit of the financial statements	<u>18,013</u>	<u>18,000</u>
Fees payable to the LLP's auditor and its associates for other services:		
The audit of the LLP	<u>4,955</u>	<u>4,000</u>

Highpoint Care Holdings LLP

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

9 Taxation

Tax charged/(credited) in the income statement

	2021 £	2020 £
Current taxation		
UK corporation tax for the period	7,277	25,970
Deferred taxation		
Arising from origination and reversal of timing differences	(97,262)	(19,344)
Tax (receipt)/expense in the income statement	(89,985)	6,626

The tax on for the year is the same as the standard rate of corporation tax in the UK (2020 - the same as the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	2021 £	2020 £
Profit before tax	219,946	104,911
Corporation tax at standard rate	33,885	14,927
Increase (decrease) from effect of different UK tax rates on some earnings	-	1,708
Effect of expense not deductible in determining taxable profit (tax loss)	2,835	743
Deferred tax expense (credit) relating to changes in tax rates or laws	(1,023)	-
Increase (decrease) from tax losses for which no deferred tax asset was recognised	(31,474)	(10,752)
Deferred tax expense (credit) from unrecognised temporary difference from a prior period	(17)	-
Tax increase (decrease) from effect of unrelieved tax losses carried forward	(94,191)	-
Total tax (credit) charge	(89,985)	6,626

10 Profit of the partnership

The partnership has taken advantage of Section 408 of the Companies Act 2006 as applied by the Limited Liability Partnerships, Partnerships and Groups (Accounts & Audit) Regulations 2016 and has not included its own profit and loss account in these financial statements. Its own loss for the year available for discretionary division among members was (£7,887) (2020 - (£7,601)).

Highpoint Care Holdings LLP

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

11 Tangible fixed assets

Group

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Office equipment £	Total £
Cost						
At 1 October 2020	7,917,985	2,734,445	959,905	128,237	8,619	11,749,191
Revaluation	3,236,661	-	-	-	-	3,236,661
Additions	85,599	77,477	1,573	95,733	1,528	261,910
Disposals	-	-	-	(41,250)	-	(41,250)
Transfers	3,555,328	(2,690,892)	(864,436)	-	-	-
At 30 September 2021	14,795,573	121,030	97,042	182,720	10,147	15,206,512
Depreciation						
At 1 October 2020	-	1,315,789	416,889	39,828	2,640	1,775,146
Charge for the year	-	281,486	76,312	29,329	1,296	388,423
Eliminated on disposals	-	-	-	(27,445)	-	(27,445)
Removal of prior depreciation on revaluation	(2,050,012)	-	-	-	-	(2,050,012)
Transfers	2,050,012	(1,579,338)	(470,674)	-	-	-
At 30 September 2021	-	17,937	22,527	41,712	3,936	86,112
Net book value						
At 30 September 2021	14,795,573	103,093	74,515	141,008	6,211	15,120,400

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Highpoint Care Holdings LLP

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

11 Tangible fixed assets (continued)

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Office equipment £	Total £
At 30 September 2020	7,917,985	1,418,656	543,016	88,409	5,979	9,974,045

Revaluation

The fair value of the group's land and buildings has been arrived at on the basis of valuations carried out on 22 November 2020 by Knight Frank - who are not connected to the group. The valuation was made on an open market value basis.

The historical cost of the land and buildings is £11,558,912.

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2021 £	2020 £
Motor vehicles	135,575	88,409

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Highpoint Care Holdings LLP

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

12 Investments held as fixed assets

Partnership

Details of undertakings

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

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings				
Highpoint Care Limited 161 Clipsley Lane, Haydock, St Helens, Merseyside, WA11 0JG	England and Wales	Ordinary A and B	100%	care home
Highpoint Care (West Derby) Limited Damfield Gardens, 1 Bournehurst Drive, Off Damfield Lane, Maghull, Liverpool, L31 3FA	England and Wales	Ordinary	100%	care home
Highpoint Care (Kew) Limited The Station House, Station Road, Whalley, Clitheroe, Lancashire, BB7 9RT	England and Wales	Ordinary A and B	100%	not trading
Highpoint Care Group Limited 161 Clipsley Lane, Haydock, St Helens, Merseyside, WA11 0JG	England and Wales	Ordinary A and B	100%	not trading

Highpoint Care Limited and Highpoint Care (West Derby) Limited are directly owned by Highpoint Care Group Limited, which is directly owned by Highpoint Care Holdings LLP.

Highpoint Care Holdings LLP

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

13 Debtors

	Group		Partnership	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	191,880	129,292	-	-
Amounts owed by related parties	29,436	15,769	-	-
Accrued income	363,972	316,588	-	-
Prepayments	23,959	54,070	75	-
Deferred tax assets	189,863	92,601	-	-
	<u>799,110</u>	<u>608,320</u>	<u>75</u>	<u>-</u>

14 Creditors: Amounts falling due within one year

	Group		Partnership	
	2021	As restated 2020	2021	2020
	£	£	£	£
Bank loans and overdrafts	717,658	553,759	-	-
Obligations under finance lease and hire purchase contracts	30,177	13,746	-	-
Funding Circle Other Loans	13,436	60,085	-	-
Trade creditors	137,828	109,986	-	-
Corporation tax	33,248	25,971	-	-
Amounts owed to related parties	27,481	13,740	12,082	4,448
Taxation and Social Security	85,481	-	-	-
Payments on Accounts, Corporation Tax and other creditors	632,166	503,309	-	-
Accruals and deferred income	<u>158,441</u>	<u>150,766</u>	<u>7,450</u>	<u>7,020</u>
	<u>1,835,916</u>	<u>1,431,362</u>	<u>19,532</u>	<u>11,468</u>

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the limited liability partnership:

	Group		Partnership	
	2021	2020	2021	2020
	£	£	£	£
Bank Overdraft	142,088	20,500	-	-
Bank Loans (incl CBILS)	575,571	533,259	-	-
Hire Purchase	30,177	13,746	-	-
Funding Circle Other Loans	<u>13,436</u>	<u>60,085</u>	<u>-</u>	<u>-</u>
	<u>761,272</u>	<u>627,590</u>	<u>-</u>	<u>-</u>

Highpoint Care Holdings LLP

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

15 Creditors: Amounts falling due after more than one year

	Group		Partnership	
	2021	As restated 2020	2021	2020
	£	£	£	£
Bank loans and overdrafts	6,605,916	7,177,602	-	-
Obligations under finance lease and hire purchase contracts	79,106	52,461	-	-
Funding Circle/Other Loans	14,787	32,348	-	-
Accruals and deferred income	385,381	343,777	-	-
	<u>7,085,190</u>	<u>7,606,188</u>	<u>-</u>	<u>-</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the limited liability partnership:

	Group		Partnership	
	2021	2020	2021	2020
	£	£	£	£
Bank Loans (incl CBILS)	6,605,916	7,177,602	-	-
Hire Purchase	79,106	52,461	-	-
Funding Circle/Other Loans	14,787	32,348	-	-
	<u>6,699,809</u>	<u>7,262,411</u>	<u>-</u>	<u>-</u>

Highpoint Care Holdings LLP

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

16 Analysis of changes in net debt

Group	At 1 October 2020 £	Financing cash flows £	At 30 September 2021 £
Cash at bank	246,740	(232,610)	14,130
Bank overdrafts	(20,500)	(121,588)	(142,088)
Borrowings excluding overdrafts	(7,803,294)	593,584	(7,209,710)
Lease liabilities	(66,207)	(43,076)	(109,283)
Net debt (before members' debt)	(7,643,261)	196,310	(7,446,951)
Net debt	(7,643,261)	196,310	(7,446,951)

17 Provisions

Group	Other provisions £	Total £
Deferred tax on revaluation of land and buildings	696,857	696,857
At 30 September 2021	696,857	696,857

Included in note 13 there is a deferred tax asset of £189,863 (2020: £92,601) in relation to other timing differences

18 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £46,782 (2020 - £40,103).

Highpoint Care Holdings LLP

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

19 Notes to the cash flow statement

Group

	2021 £	2020 £
Operating profit	477,119	428,931
Depreciation, amortisation and impairment charges	388,423	388,287
Profit on disposal of fixed assets	(5,692)	(1,781)
Increase in debtors	(93,528)	(105,248)
Increase in creditors	289,569	104,084
Cash generated by operations	1,055,891	814,273
Net cash inflow from operating activities	1,055,891	814,273

Partnership

	2021 £	2020 £
Operating loss	(7,887)	(7,601)
Increase in debtors	(74)	-
Increase in creditors	8,064	5,258
Cash generated by operations	103	(2,343)
Net cash inflow/(outflow) from operating activities	103	(2,343)

20 Revaluation Reserve

The revaluation reserve consists of cumulative revaluation gains in respect of land and buildings, net of deferred taxation

21 Related party transactions

Group

Key management compensation

	2021 £	2020 £
Salaries and other short term employee benefits	121,771	117,039

Other companies owned by the members who control the group

Monies loaned to/from related entities. In all cases, the loans are unsecured, non-interest bearing and repayable on demand. In addition the group charged £22,254 for management services, being re-charge of employment expenses incurred by the group for a family member who carried out work on behalf of the related parties.

The amounts owed by related parties at year-end was £29,435 (2020: £15,769). The amounts owed to related parties at year-end was £27,482 (2021: £13,740)

Highpoint Care Holdings LLP

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

22 Bank Borrowings

The bank loans are denominated in Sterling. The final instalment for loan one is due in July 2023 and for loan two is due in April 2025. The carrying amount at year-end is £2,689,660 for loan one, £3,997,960 for loan 2 (2020: £3,030,103 for loan one and £4,248,693 for loan two).

The security in each case are the properties owned by the subsidiary companies and a fixed and floating charge over the remaining assets of the group. The carrying value of the properties at year end are £13,810,998 (2020: £6,958,011).

The Bank Overdrafts in each subsidiary company are denominated in Sterling. There is a cross-guarantee in place between the two trading subsidiaries supported by a debenture. The carrying amount of the bank overdrafts at year-end is £142,088 (2020: £20,942).

The bank overdraft is supported by guarantees and debentures held on assets across the group. In addition, there is a personal guarantee from one of the members up to a maximum of £150,000.

Coronavirus Business Interruption Loan Scheme (CBILS) is denominated in Sterling and the final instalment is due in September 2026. The carrying amount at year-end is £427,200 (2020: 500,000).

Capital repayments on the loan commenced in March 2021 and are evenly spread over the remaining 5 1/2 years of the loan agreement. The loan is 80% backed by the Government.

Other borrowings

Funding Circle Loans is denominated in Sterling with a nominal interest rate of 25% and the final instalment is due in August 2022. The carrying amount at year-end is £66,667 (2020: £144,357).

The security is a floating charge over the assets of the group. Monthly repayments are at a set rate over the rest of the term of the loan.

Other Short-Term Borrowing

These are denominated in Sterling with a nominal interest rate of average of 31.5%. The carrying amount at year-end is £28,223 (2020: £92,435).

These are unsecured loans, hence the higher interest rate. The majority of the amount owed at the year-end is repayable within 12 months of the accounts year-end with smaller amounts being repayable at a later date.

Hire Purchase

Hire Purchase finance is denominated in Sterling with a nominal interest rate of average of 11% and the final instalments due in September 2023 and February 2025. The carrying amount at year-end is £109,283 (2020: £66,207).

The security is the vehicles on which the Hire Purchase agreements have been taken out.

23 Control

The members are the controlling party by virtue of their controlling interest in the limited liability partnership. The ultimate controlling party is the same as the controlling party.