

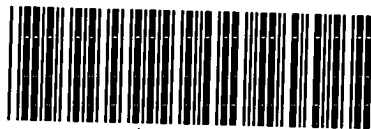
Registration number: OC322010

# HCRG Care East Riding LLP

Annual Report and Unaudited Financial Statements

for the Year Ended 31 March 2022

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# **HCRG Care East Riding LLP**

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## **HCRG Care East Riding LLP**

### **Information**

<b>Designated members</b>	HCRG Care Limited HCRG Care Services Limited
<b>LLP registered number</b>	OC322010
<b>Registered office</b>	The Heath Business & Technical Park Runcorn Cheshire WA7 4QX

## **HCRG Care East Riding LLP**

### **Member's Report for the Year Ended 31 March 2022**

The annual report together with the unaudited financial statements of HCRG Care East Riding LLP ("the LLP") for the year ended 31 March 2022. The members confirm that the annual report and financial statements of the LLP comply with the current statutory requirements and the requirements of the LLP's governing document.

#### **Principal activity**

The principal objective of the LLP continues to be the provision of NHS primary care services.

#### **Political and Charitable Donations**

There were no political or charitable donations during the year (2021: £Nil).

#### **Designated members**

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

- HCRG Care Limited
- HCRG Care Services Limited

#### **Members' capital and interests**

At the commencement of the business HCRG Care Limited has invested a capital sum based on the number of patients registered with the practice members. The remainder of the members were not required to contribute capital to the LLP on incorporation. The capital invested by HCRG Care limited was originally only repayable if the LLP is liquidated or wound up. On 25 March 2013 the LLP agreement was amended which resulted in the capital amounts becoming repayable on demand.

The policy on members' drawings states that, following each financial year, once the financial statements have been prepared, the whole of the profit shall, after setting off any losses brought forward from any previous financial year, be distributed 99% to HCRG Care Limited and 1% to HCRG Care Services Limited.

## **HCRG Care East Riding LLP**

### **Member's Report for the Year Ended 31 March 2022 (continued)**

#### **Policy on members' remuneration and the subscription and repayment of capital**

HCRG Care Limited has invested an initial capital sum into the partnership to facilitate trade. The remaining member, HCRG Care Services Limited, was not required to contribute to the capital of the LLP. The capital invested by HCRG Care Limited is repayable on demand.

The capital requirements of the partnership are determined by the members and reviewed regularly. Any additional requirement would be subscribed by HCRG Care Limited.

The distribution to members' policy follows preparation of the financial statements. Any profits for the period will only be distributed to designated members:

- after selling off any cumulative losses brought forward from any previous years; and
- after review of the cash requirements of the LLP.

As noted on the previous page, profits are distributed 99% to HCRG Care Limited and 1% to HCRG Care Services Limited.

Remuneration is treated as payments on account of profit allocation and is only repayable to the LLP in so far as there are insufficient profits to allocate against such remuneration. Any remuneration in excess of total profits would be included within "amounts due from members" within debtors.

#### **Employment of disabled persons**

Under the LLP's Equal Opportunities policy, the LLP ensures all employees are treated equally and do not discriminate on the grounds of gender, marital status, race, ethnic origin, colour, nationality, national origin, disability, sexual orientation, religion or age.

#### **Going concern**

Following a one year extension to the existing contract, the LLP will cease trading at March 2023. It is the intention of the members that, following the cessation of trade, the entity will be wound up within 18 months of the cessation date. More detail on the non-going concern status of the LLP can be found in the accounting policies.

This report was approved by the members on 21 December 2022 and signed on their behalf by:



.....  
HCRG Care Limited  
D J Deitz

The Heath Business & Technical Park  
Runcorn  
Cheshire  
WA7 4QX

## **HCRG Care East Riding LLP**

### **Statement of Member's Responsibilities in respect of the Members' Report and the financial statements**

The members are responsible for preparing the members' report and the financial statements in accordance with applicable law and regulation.

The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under these regulations the members have elected to prepare the group and Limited Liability Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under these regulations 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 for that period.

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Limited Liability Partnership will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the Limited Liability Partnership's transactions, 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 Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. 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.

## HCRG Care East Riding LLP

### Statement of Comprehensive Income for the Year Ended 31 March 2022

	Note	2022 £	2021 £
Turnover	4	3,080,184	2,310,411
Cost of sales		<u>(3,093,764)</u>	<u>(2,059,663)</u>
Gross (loss)/profit		(13,580)	250,748
Administrative expenses		<u>(84,999)</u>	<u>(112,579)</u>
Operating (loss)/profit	5	<u>(98,579)</u>	<u>138,169</u>
(Loss)/profit before members' remuneration and profit shares		(98,579)	138,169
Members' remuneration charged as an expense		<u>98,579</u>	<u>(138,169)</u>
Profit/(loss) for the year available for division among members		<u>-</u>	<u>-</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>-</u>	<u>-</u>

The above results were derived from continuing operations.

# HCRG Care East Riding LLP

(Registration number: OC322010)

## Statement of Financial Position as at 31 March 2022

	Note	31 March 2022 £	31 March 2021 £
<b>Fixed assets</b>			
Tangible assets	9	1,307	2,016
<b>Current assets</b>			
Stocks		20,295	-
Trade and other receivables	10	6,005,614	5,773,334
Cash at bank and in hand	11	362,525	71,666
<b>Total assets</b>		<b>6,388,434</b>	<b>5,845,000</b>
<b>Current liabilities</b>			
Trade and other payables	12	(1,762,491)	(1,059,582)
<b>Net current assets</b>		<b>4,625,943</b>	<b>4,785,418</b>
<b>Net assets attributable to members</b>		<b>4,627,250</b>	<b>4,787,434</b>
<b>Represented by:</b>			
Members' capital		256,840	256,840
Other amounts		4,370,410	4,530,594
		<b>4,627,250</b>	<b>4,787,434</b>
<b>Total equity</b>		<b>4,627,250</b>	<b>4,787,434</b>
<b>Total members' interests</b>			
Amounts due from members (included in debtors)		(5,745,000)	(5,745,000)
Loans and other debts due to members		4,627,250	4,787,434
<b>Total members' interests</b>		<b>(1,117,750)</b>	<b>(957,566)</b>

These accounts have been prepared in accordance with the provisions applicable to entities subject to the small LLPs regime.

The entity was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulation 2008, with respects to accounting records and the preparation of financial statements.

Approved by the board on 21 December 2022 and signed on its behalf by:

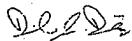


**HCRG Care East Riding LLP**

**(Registration number: OC322010)**

**Statement of Financial Position as at 31 March 2022 (continued)**

HCRG Care Limited  
D J Deitz



The Heath Business & Technical Park  
Runcorn  
Cheshire  
WA7 4QX

HCRG Care East Riding LLP has no equity and, in accordance with the provisions contained within the Statement of Recommended Practice "Accounting by Limited Liability Partnerships", has not presented a Statement of Changes in Equity.

## HCRG Care East Riding LLP

### Reconciliation of Members' Interests for the Year Ended 31 March 2022

	Members' capital (classified as debt) £	Other amounts £	Total £
Amounts due to members	256,840	4,530,594	4,787,434
Amounts due from members	-	(5,745,000)	(5,745,000)
At 1 April 2021	256,840	(1,214,406)	(957,566)
Other amounts	-	(61,605)	(61,605)
Members' remuneration charged as expense	-	(98,579)	(98,579)
Members' interest after profit for the year 2022	256,840	(1,374,590)	(1,117,750)
Amounts due to members	256,840	4,370,410	4,627,250
Amounts due from members	-	(5,745,000)	(5,745,000)
Balance at 31 March 2022	256,840	(1,374,590)	(1,117,750)

There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of Members' other interests.

## **HCRG Care East Riding LLP**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **1 General information**

HCRG Care East Riding LLP is a Limited Liability Partnership ('LLP') incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the LLP's operations and its principal activities are set out in the members' report.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Basis of preparation**

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.

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006'. The prior year financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The Company transitioned to FRS 102 from FRS 101 effective 1 April 2020. Comparative figures have been amended to comply with FRS 102.

The financial statements are prepared on the historical cost basis.

##### **Summary of disclosure exemptions**

The LLP is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this LLP, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The LLP has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flows and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: The disclosure requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- Section 26 'Share Based Payment': Share based payment arrangements required under FRS 102 paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

## **HCRG Care East Riding LLP**

### **Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)**

#### **2 Accounting policies (continued)**

##### **Going concern**

The LLP was not profitable during the year compared to the prior year. The LLP is dependent on resources provided by the larger HCRG Care group of subsidiaries to continue to operate.

On completion of the current contract as at 31 March 2023, it is the intention of the members that, following the cessation of trade, the entity will be wound up within 18 months of exit. Accordingly, the going concern basis of accounting is no longer considered to be appropriate as at 31 March 2022. No adjustments were necessary in these financial statements to reduce assets to their realisable values, to provide for liabilities arising from the decision to cease trading or to reclassify fixed or long-term liabilities as current assets or liabilities.

##### **Changes in accounting policy**

##### **Revenue recognition**

The LLP recognises revenue from the provision of health and social care services funded by the NHS (National Health Service) and Local Authorities across England.

Revenue is recognised in the accounting period which the services are rendered at an amount that reflects the consideration to which the LLP expects to be entitled in exchange for fulfilling its performance obligations to customers. Any amounts received where the performance obligation has not been met are held as deferred income.

Revenue is exclusive of Value Added Taxes.

##### **Member's remuneration charged as an expense**

Members' remuneration charged as an expense includes management charges payable to HCRG Care Limited for providing various support services to the LLP. These are calculated in accordance with the terms set out in the LLP agreement. Members' remuneration charged as an expense includes the profits which are attributable to the members which are automatically allocated to them in accordance with the terms of the LLP agreement.

##### **Tax**

The taxation payable on partnership profits is the liability of the members during the year. Consequently, neither partnership taxation nor related deferred taxation are accounted for in the financial statements.

##### **Tangible assets**

Property, plant and equipment is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

##### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Medical equipment	3 years on a straight-line basis
Computer equipment	3 years on a straight-line basis

## HCRG Care East Riding LLP

### Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

#### 2 Accounting policies (continued)

##### Intangible assets

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

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

##### Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Computer software	3 years on a straight-line basis

##### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

##### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as fixed assets.

The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

##### Stock

Stocks are stated at the lower of cost and net realisable value. Cost is based on the cost of acquiring the stocks, on an actual basis.

##### Trade creditors

Trade payables 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 payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

##### Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

## **HCRG Care East Riding LLP**

### **Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)**

#### **2 Accounting policies (continued)**

##### **Intra-group arrangements**

The bank balances of the sub group headed up by HCRG Care Holdings Ltd (the 'group') are pooled together on a group basis and swept into an overnight deposit account. Consequently, individual entity bank accounts may show an overdrawn position at any time, but overall the group has the capacity to offset any positive cash balances against any negative cash balances and always maintains a net positive cash position across the group as a whole. As a result, the group has no requirement for a formal overdraft facility. This right of offset is underwritten by cross company guarantees (or otherwise known as credit insurance). Therefore, the arrangement is treated as an insurance contract and not a derivative. Subsequently, if indebtedness occurs within the group, the LLP treats the guarantee contract as a contingent liability until such time as it becomes probable that the LLP will be required to make a payment under the guarantee.

##### **Leases**

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to profit or loss over the shorter of estimated useful economic life and the term of the lease.

Finance lease payments are analysed between capital and interest components so that the interest element of the payment is charged to profit or loss over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to profit or loss on a straight-line basis over the term of the lease.

Where the LLP has a legal obligation, a dilapidations provision is created on inception of a lease. These provisions are a best estimate of the cost required to return leased properties to their original condition upon termination of the lease. Where the obligation arises from 'wear and tear', the provision is accrued and expensed in profit or loss as the 'wear and tear' occurs.

## **HCRG Care East Riding LLP**

### **Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)**

#### **2 Accounting policies (continued)**

##### **Defined contribution pension obligation**

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable the company to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the company of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”.

An outline of these follows:

##### **a) Accounting valuation**

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes.

The valuation of the scheme liability as at 31 March 2022, is based on valuation data as at 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery

##### **b) Full actuarial (funding) valuation**

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers:

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay. The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. In January 2019, the Government announced a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

The Government subsequently announced in July 2020 that the pause had been lifted, and so the cost control element of the 2016 valuations could be completed. The Government has set out that the costs of remedy of the discrimination will be included in this process. HMT valuation directions will set out the technical detail of how the costs of remedy will be included in the valuation process.

## HCRG Care East Riding LLP

### Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

#### 2 Accounting policies (continued)

##### Defined contribution pension obligation (continued)

The Government has also confirmed that the Government Actuary is reviewing the cost control mechanism (as was originally announced in 2018). The review will assess whether the cost control mechanism is working in line with original government objectives and reported to Government in April 2021. The findings of this review will not impact the 2016 valuations, with the aim for any changes to the cost cap mechanism to be made in time for the completion of the 2020 actuarial valuations.

#### 3 Critical accounting judgements and key sources of estimation uncertainty

The members do not believe there to be any key sources of estimation uncertainty at the balance sheet date that may cause material adjustments to the carrying amounts of assets and liabilities within the next financial year.

Additionally, the members do not believe there to be any critical accounting judgements in applying the LLP's accounting policies.

#### 4 Turnover

An analysis of turnover from continuing operations is as follows:

	2022	2021
	£	£
Provision of medical services	<u>3,080,184</u>	<u>2,310,411</u>

All turnover arose in the United Kingdom.

#### 5 Operating (loss)/profit

Arrived at after charging/(crediting)

	2022	2021
	£	£
Depreciation expense	2,720	3,575
Operating lease expense - property	<u>22,088</u>	<u>22,088</u>

#### 6 Staff costs

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



## HCRG Care East Riding LLP

### Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

#### 6 Staff costs (continued)

	2022 £	2021 £
Wages and salaries	875,092	926,631
Social security costs	80,022	92,030
Pension costs, defined contribution scheme	23,567	41,075
	<u>978,681</u>	<u>1,059,736</u>

The average number of persons employed by the entity during the year, analysed by category was as follows:

	2022 No.	2021 No.
Non-registered	11	14
Registered	10	14
	<u>21</u>	<u>28</u>

Registered employees refer to our health and care professionals who are registered with a relevant professional governance body, such as the Nursing and Midwifery Council or General Medical Council.

#### 7 Members' remuneration charged as an expense

	2022 £	2021 £
Management charge payable to HCRG Care Ltd under the terms of the LLP agreement	61,605	45,937
Division of profits to members	(160,184)	92,232
	<u>(98,579)</u>	<u>138,169</u>

#### 8 Intangible assets

	Other intangible assets £	Total £
<b>Cost or valuation</b>		
At 1 April 2021	12,540	12,540
At 31 March 2022	12,540	12,540
<b>Amortisation</b>		
At 1 April 2021	12,540	12,540
At 31 March 2022	12,540	12,540
<b>Carrying amount</b>		
At 31 March 2022	<u>-</u>	<u>-</u>

## HCRG Care East Riding LLP

### Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

#### 9 Tangible assets

	Furniture, fittings and equipment £	Medical equipment £	Total £
<b>Cost or valuation</b>			
At 1 April 2021	-	9,624	9,624
Additions	2,011	-	2,011
At 31 March 2022	2,011	9,624	11,635
<b>Depreciation</b>			
At 1 April 2021	-	7,608	7,608
Charge for the year	704	2,016	2,720
At 31 March 2022	704	9,624	10,328
<b>Carrying amount</b>			
At 31 March 2022	1,307	-	1,307
At 31 March 2021	-	2,016	2,016

## HCRG Care East Riding LLP

### Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

#### 10 Trade and other debtors

	31 March 2022 £	31 March 2021 £
Trade debtors	194,587	28,334
Prepayments	66,027	-
Amounts due from members	<u>5,745,000</u>	<u>5,745,000</u>
	<u>6,005,614</u>	<u>5,773,334</u>

Amounts owed by group subsidiaries are repayable on demand. However, given that the LLP does not operate a regular process for settling these amounts, they are not considered to be working capital in nature and are not expected to be settled within 12 months of the balance sheet date.

The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

#### 11 Cash at bank and in hand

	31 March 2022 £	31 March 2021 £
Cash at bank	<u>362,525</u>	<u>71,666</u>

#### 12 Trade and other creditors

	31 March 2022 £	31 March 2021 £
Trade creditors	195,247	48,315
Accrued expenses	212,486	345,237
Amounts owed to group undertakings	1,330,828	636,734
Social security and other taxes	21,620	27,186
Other creditors	<u>2,310</u>	<u>2,110</u>
	<u>1,762,491</u>	<u>1,059,582</u>

## HCRG Care East Riding LLP

### Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

#### 13 Loans and other debts due to members

	31 March 2022 £	31 March 2021 £
Amounts due to members	4,370,410	4,530,594
Members' capital	256,840	256,840
	<u>4,627,250</u>	<u>4,787,434</u>

Loans and other debts due to members may be further analysed as follows:

	31 March 2022 £	31 March 2021 £
Falling due within one year	<u>4,627,250</u>	<u>4,787,434</u>

Members capital classified as a liability of £256,840 (2021: £256,840) ranks after unsecured creditors in the event of a winding up. Amounts due to members within one year rank equally with debts to ordinary creditors in the event of winding up.

#### Defined contribution pension scheme

The LLP operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the LLP to the scheme and amounted to £23,567 (2021: £41,075). Contributions totalling £2,140 (2021: £2,011) were payable to the scheme at the end of the year and are included in creditors.

#### 14 Contingent liabilities

As of the date of signing the statutory accounts, the members considered there to be no contingent liabilities (2021: £Nil).

The bank balances of the sub group headed up by HCRG Care Group Holdings Limited (the 'group') are pooled together on a group basis and swept into an overnight deposit account. Consequently, individual entity bank accounts may show an overdrawn position at any time, but overall the group has the capacity to offset any positive cash balances against any negative cash balances and always maintains a net positive cash position across the group as a whole. As a result, the group has no requirement for a formal overdraft facility. This right of offset is underwritten by cross company guarantees (or otherwise known as credit insurance). Therefore, the arrangement is treated as an insurance contract and not a derivative. Subsequently, if indebtedness occurs within the group, the LLP treats the guarantee contract as a contingent liability until such time as it becomes probable that the LLP will be required to make a payment under the guarantee.

## HCRG Care East Riding LLP

### Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

#### 15 Parent and ultimate parent undertaking

The immediate parent company is HCRG Care Limited, a company incorporated in the United Kingdom. The registered office is The Heath Business & Technical Park, Runcorn, Cheshire, WA7 4QX.

The ultimate parent companies are Twenty20 Capital Limited and IJMH Limited, both companies are incorporated in the United Kingdom.

The largest and smallest group in which the Company and group results are consolidated are those for Twenty20 Capital Investments Limited and HCRG Care Group Holdings Limited respectively, both companies are registered in England and Wales. Copies of the group accounts of Twenty20 Capital Investments Limited and HCRG Care Group Holdings Limited can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

In the prior year, the ultimate parent company was Virgin Group Holdings Limited, a company incorporate in the British Virgin Islands. The largest and smallest group in which the Company and group results were consolidated was Virgin Holdings Limited and Virgin UK Holdings Limited respectively, companies both registered in England and Wales. Copies of these accounts can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

#### 16 Transition to FRS 102

The Company was acquired by T20 Pioneer Holdings Limited on 30 November 2021, the parent company of T20 Pioneer Holdings Limited is Twenty20 Capital Investments Limited. The Company has elected to follow the same accounting standards as the other members of the 'Twenty20 Group' and therefore has transitioned to FRS 102.

#### Balance sheet at 1 April 2020

	As originally reported	Remeasurement	As restated
	£	£	£
<b>Fixed assets</b>			
Tangible fixed assets	35,820	(33,253)	2,567
<b>Current assets</b>			
Debtors	6,040,935	-	6,040,935
Creditors: Amounts falling due within one year	(1,366,709)	18,407	(1,348,302)
Net current assets/(liabilities)	4,674,226	18,407	4,692,633
Total assets less current liabilities	4,710,046	(14,846)	4,695,200
Creditors: Amounts falling due after more than one year	(16,889)	16,889	-
Net assets/(liabilities)	4,693,157	2,043	4,695,200
<b>Capital and reserves</b>			
Members funds	4,693,157	2,043	4,695,200

## HCRG Care East Riding LLP

### Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

#### 16 Transition to FRS 102 (continued)

##### Balance sheet at 31 March 2021

	As originally reported £	Remeasurement £	As restated £
<b>Fixed assets</b>			
Tangible fixed assets	22,170	(20,154)	2,016
<b>Current assets</b>			
Debtors	5,845,000	-	5,845,000
Creditors: Amounts falling due within one year	(1,081,189)	21,607	(1,059,582)
Net current assets/(liabilities)	<u>4,763,811</u>	<u>21,607</u>	<u>4,785,418</u>
Net assets/(liabilities)	<u>4,785,981</u>	<u>1,453</u>	<u>4,787,434</u>
<b>Capital and reserves</b>			
LLP members capital	256,840	-	256,840
Other amounts due to members	4,529,141	(591)	4,528,550
Retained earnings bf	<u>2,044</u>	<u>-</u>	<u>2,044</u>
Shareholders' funds/(deficit)	<u>4,788,025</u>	<u>(591)</u>	<u>4,787,434</u>

## HCRG Care East Riding LLP

### Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

#### 16 Transition to FRS 102 (continued)

##### Profit and loss account for the financial year ended 31 March 2021

	As originally reported £	Remeasurement £	As restated £
Turnover	2,310,411	-	2,310,411
Cost of sales	<u>(2,059,304)</u>	<u>-</u>	<u>(2,059,304)</u>
Gross profit/(loss)	251,107	-	251,107
Administrative expenses	<u>(111,004)</u>	<u>(1,934)</u>	<u>(112,938)</u>
Operating profit/(loss)	140,103	(1,934)	138,169
Interest payable and similar expenses	<u>(1,343)</u>	<u>1,343</u>	<u>-</u>
Profit/(loss) for the financial year	<u><u>138,760</u></u>	<u><u>(591)</u></u>	<u><u>138,169</u></u>