Company Registration No. 07075337 (England and Wales)

HORIZON HOMECARE (SOUTHERN) LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2019

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HORIZON HOMECARE (SOUTHERN) LIMITED

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HORIZON HOMECARE (SOUTHERN) LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 NOVEMBER 2019

		2019		2018	
	Notes	**£**	**£**	**£**	**£**
Non-current assets					
Intangible assets	**3**		10,000		20,000
Property, plant and equipment	**4**		39,725		9,588
			49,725		29,588
Current assets					
Inventories		890		-	
Trade and other receivables	**5**	438,330		196,322	
Cash and cash equivalents		302,437		223,805	
		741,657		420,127	
Current liabilities	**6**	(386,275)		(204,666)	
Net current assets			355,382		215,461
Total assets less current liabilities			405,107		245,049
Non-current liabilities	**7**		(6,321)		-
Provisions for liabilities					
Deferred tax liability	**8**	2,073		-	
			(2,073)		-
Net assets			396,713		245,049
Equity					
Called up share capital	**10**		100		100
Retained earnings	**11**		396,613		244,949
Total equity			396,713		245,049

The director of the company has elected not to include a copy of the income statement within the financial statements.

For the financial year ended 30 November 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

HORIZON HOMECARE (SOUTHERN) LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 NOVEMBER 2019

The financial statements were approved and signed by the director and authorised for issue on 19/08/2020

....
Ms K Rickman
Director

Company Registration No. 07075337

1 Accounting policies

Company information

Horizon Homecare (Southern) Limited is a private company limited by shares incorporated in England and Wales. The registered office and principal place of business is 386a Ashley Road, Poole, Dorset, BH14 0AA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Business combinations

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1.3 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the supply of care services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Where payments are received from customers in advance of services provided the amounts are recorded as deferred income and included as part of payables due within one year.

1 Accounting policies **(Continued)**

Interest income is recognised when it is probable that the economic benefits will flow to the company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% reducing balance
Fixtures and fittings	25% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of non-current assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1 Accounting policies **(Continued)**

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Inventories

Inventories are calculated and stated at the lower of cost and estimated selling price less costs to complete and sell.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1 Accounting policies **(Continued)**

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 127 (2018 - 130).

3 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 December 2018 and 30 November 2019	100,000
Amortisation and impairment	
At 1 December 2018	80,000
Amortisation charged for the year	10,000
At 30 November 2019	90,000
Carrying amount	
At 30 November 2019	10,000
At 30 November 2018	20,000

4 Property, plant and equipment

	Plant and machinery	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 December 2018	15,193	17,074	4,800	37,067
Additions	1,790	12,849	28,740	43,379
At 30 November 2019	16,983	29,923	33,540	80,446
Depreciation and impairment				
At 1 December 2018	13,536	12,743	1,200	27,479
Depreciation charged in the year	862	4,295	8,085	13,242
At 30 November 2019	14,398	17,038	9,285	40,721
Carrying amount				
At 30 November 2019	2,585	12,885	24,255	39,725
At 30 November 2018	1,657	4,331	3,600	9,588

5 Trade and other receivables

	2019	2018
Amounts falling due within one year:	£	£
Trade receivables	316,095	176,302
Other receivables	10,191	20,020
Prepayments and accrued income	112,044	-
	438,330	196,322

6 Current liabilities

	2019	2018
	£	£
Obligations under finance leases	6,526	-
Trade payables	52,120	(4,271)
Corporation tax	66,267	41,094
Other taxation and social security	59,759	10,974
Other payables	-	21,631
Accruals and deferred income	201,603	135,238
	386,275	204,666

The obligations under finance leases are secured against motor vehicles with a carrying value of £19,530 (2018 - £nil).

7 Non-current liabilities

	Notes	2019 £	2018 £
Obligations under finance leases		6,321	-

The obligations under finance leases are secured against motor vehicles with a carrying value of £19,530 (2018 - £nil).

8 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

Balances:	**Liabilities 2019 £**
Accelerated capital allowances	2,073

Movements in the year:	**2019 £**
Liability at 1 December 2018	-
Charge to profit or loss	2,073
Liability at 30 November 2019	2,073

Of the deferred tax liability set out above, £1,140 is set to reverse within 12 months and relates to accelerated capital allowances.

9 Retirement benefit schemes

Defined contribution schemes	**2019 £**	**2018 £**
Charge to profit or loss in respect of defined contribution schemes	50,787	24,182

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

10 Called up share capital

	2019 £	**2018 £**
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100

10 Called up share capital (Continued)

Ordinary shares carry voting rights but have no right to fixed income or fixed repayment of capital.

11 Reserves

Retained earnings
Retained earnings represents cumulative profits or losses, net of dividends paid and other adjustments.

12 Operating lease commitments

Lessee
At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2019	2018
	£	£
Within one year	35,108	26,546
Between two and five years	51,509	89,906
	86,617	116,452

13 Related party transactions

Remuneration of key management personnel

	2019	2018
	£	£
Aggregate compensation	142,035	113,324

The following amounts were outstanding at the reporting end date:

	2019	2018
Amounts due from related parties	£	£
Key management personnel	-	1,405
	-	1,405

14 Directors' transactions

Dividends totalling £123,835 (2018 - £110,000) were paid in the year in respect of shares held by the company's directors.

As at 30 November 2019, a director owed £nil (2018 - £1,405) to the company. Interest is payable at the official rate and the loan is repayable on demand.

15 Parent company

The ultimate controlling party is the director, Ms K Rickman, by virtue of her direct and indirect control of 100% of the issued share capital in the company.