

REGISTERED NUMBER: 06528491 (England and Wales)

**Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 March 2023
for
CARE UNBOUND LIMITED**

CARE UNBOUND LIMITED

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CARE UNBOUND LIMITED

**Company Information
for the year ended 31 March 2023**

DIRECTORS:

Dr H L Curr
Mrs S E L Bartholomew
Mrs L A S Jay
Mr R J Taunt
Mrs M Kanjilal Williams
Ms A E Small

REGISTERED OFFICE:

4th Floor
177 Preston Road
Brighton
East Sussex
BN1 6AG

REGISTERED NUMBER:

06528491 (England and Wales)

AUDITORS:

Feist Hedgethorne Limited
Statutory Auditors
Chartered Accountants
Preston Park House
South Road
Brighton
East Sussex
BN1 6SB

CARE UNBOUND LIMITED

Strategic Report for the year ended 31 March 2023

The directors present their strategic report for the year ended 31 March 2023.

Included in the report are references to "Here" which is the trading name of Care Unbound Limited. There are also references to the annual report which can be found at <https://hereweare.org.uk/here-annual-report-2022-23/>.

BUSINESS REVIEW INCLUDING KEY PERFORMANCE INDICATORS

The results for the year are shown in the statement of comprehensive income on page 19. The directors consider that the company's balance sheet as detailed on page 20 shows a satisfactory position at the year end.

The key performance indicators are as follows:

	2023	2022	Change
Turnover	£62,663,557	£60,853,319	+2.97%
Gross profit	£4,033,261	£3,511,468	+14.86%
Gross profit margin	6.44%	5.78%	+11.42%
Average number of employee	297	296	+0.34%
Administrative expenses	£3,360,689	£3,167,959	+6.08%
Administrative expenses as a proportion of turnover	5.36%	5.21%	+2.88%

Our results for the year show a surplus for the year that we will add into our reserves which continue to be a suitable level for an organisation of our size. Our reserves will also help to secure our financial sustainability for the near future, with several contracts soon ending and we work towards recommissioning and gaining contracts in new services.

In summary, at the start of the 2022 we reviewed our purpose to focus on what it was important for us to achieve as an organisation. We were well positioned to review our aims and establish a cohesive strategic plan for the environment within which we now operate. Part of this decision meant that we needed to let go of some of our services that were not aligned with our new purpose. Having held the Extended Access Service (formerly known as Improving Access Service) for primary care for several years, and with the Brighton and Hove Federation re-establishing itself, we agreed to hand this service to primary care via the Federation from April 2023.

One of our primary financial concerns, was how inflation has seen our cost base increasing significantly this year across pay and non-pay. The cost of living has impacted our staff dramatically this year. As with the rest of the NHS, workforce shortages have been a key concern in 2022/23, and we have worked hard on employee retention and recruitment to maintain staff levels so that we can safely continue our services. This coupled with our need to attract and retain staff has led to us increasing salaries across the organisation at the end of the financial year. This decision resulted from an extensive consultation which carefully balanced what was needed, fair, affordable, and competitive in the recruitment environment, but also what was responsible as an employer in the community.

We have had discussions with commissioners regarding the need for inflationary income uplifts in our contracts to maintain the high standards of service that we are proud of.

Once again, due to lower patient volumes than expected in some of our services and rising costs, we have deferred income into next year from contracts which span both years to meet anticipated patient demand and anticipated higher direct costs in FY23/24.

The organisation has benefited from an additional Enabling Team member earlier in the year, Kristin Francis, who joined as our Director of Primary Care. Matthew Riley, our Chief Informatics Officer stepped down from his NED (Non-Executive Directors) responsibilities.

A detailed review of our service activities for the year can be found in our Annual Report 22/23 on our website (hereweare.org.uk).

STRATEGIC DECISIONS MADE, WHY WE MADE THEM AND HOW THESE IMPACT OUR STAKEHOLDERS

In delivering our s172 duty, the Board takes a long-term approach to its decision-making, considering the sometimes competing needs of stakeholders and how this will impact them.

CARE UNBOUND LIMITED

Strategic Report for the year ended 31 March 2023

REDEFINING OUR PURPOSE

Over the past two years, as a new leadership team, we have taken time to forge our own connections to the purpose of the organisation. Bringing together a new board, responding to the national pandemic, and at our annual general meeting with our employees and shareholders, asking ourselves about who we are and why we exist in the world. We took stock of the purpose that inspires and guides us.

As a social enterprise, delivering many things, in different ways, there was a universal acknowledgement that we work in a sector that is not well understood, and is not easy to summarise. Nonetheless, there are themes that rise to the surface in our conversations, and in the quiet spaces in between them.

Why are we Here?

- We are a group of people who believe we can make a difference in the world;
- We think business can be a force for good, and that profits should benefit our society;
- We know that our society is not fair and equitable, and many people cannot thrive in the conditions in which they live. We believe changes in health and care could enable a better future for us all.

As an organisation we do many things. What unites our efforts is a recognition of the 'way' we do things:

- We know that interactions in health and care are powerful. When we show true care for each other we can create profoundly positive change.
- Our work is designed to allow connections with people, understanding what matters to them, and delivering person centered services that are rewarding to work in, and valuable to our communities.
- We are inspired to work in systems which need to change, or places where pressured are exceptional. We often imagine what good looks like and find ways to bring this to life.
- We see ourselves as a vital part of our communities working to support the conditions where everyone can thrive.
- We are passionate about learning, and don't think we have all the answers. More than that, we think some answers can only emerge in the presence of collaborations - in the blended expertise of clinicians and patients, the combined strength of public bodies and local communities, and the contributions of social enterprise.

As we move forward into the next year, we know we hold a vital place in our local community. We want to forge lasting relationships that enable us to challenge the impossible problems of our times. We believe that our work has value far beyond our system boundaries, and we are learning what partnerships and products enable change in new and ever-changing spaces. We want to stay connected to a global movement that is exploring fundamentally different ways of living and working that improves our ability to care for ourselves, each other, and future generations. We know that the aspirations we hold have never faced harder times. We will need our courage, our inspiration, our purpose to guide us. It is our common thread which unites us, which allows us to focus, connect and respond.

We are Here.

Exceptional care, for everyone.

REFRESHING OUR STRATEGY

Redefining our purpose as an organisation led naturally to reviewing our strategy as a Board to ensure that the two aligned. In parallel, we created a new Strategy and Innovation Team to build capacity to develop and hold our strategic plan for the current operating environment, focusing on growth, fostering new relationships within the health system, exploring new business opportunities and improving our external communication. We consulted extensively with the Sussex Integrated Care Board (ICB) about what they needed, and how this aligned with our purpose and strategy and what we do best.

OUR SHAREHOLDERS AND CONSTITUTION

After handing the Extended Access service to primary care via the Brighton and Hove Federation, we agreed to unwind our mutual shareholding with the Federation, along with our GP shareholders. This would allow us to become completely owned by our employees. This was agreed at our AGM in March 2023.

CARE UNBOUND LIMITED

Strategic Report for the year ended 31 March 2023

We want to clarify our position as a social enterprise so that our not-for-profit status was more visible externally, as we have received feedback that our status as a company limited by shares did not clearly distinguish us from commercial enterprises. After exploring the potential impact of several alternatives, we are considering converting our constitution to a Community Interest Company (CIC) once we have transitioned fully to employee ownership. We plan to bring this proposal to our shareholders for voting in the year ahead.

IMPROVED CLARITY AND EQUITY OVER PAY

A key decision that we made in early 2022, in response both to the staff survey showing dissatisfaction with pay, and our service leads finding it hard to attract and retain talent, was to review our organisation-wide pay and policies. We had paid a cost-of-living supplement to employees mid-2022 in response to the increased inflationary pressures. However, with inflation persisting, and after lengthy consultation with our staff and with service leads, it was felt that pay increases were more beneficial than one-off payments. We implemented several changes in response including:

- Clarifying our Pay Progression Policy to split out inflation related uplift, progression related uplift and cement our commitment to the Real Living Wage.
- Switching to pay bands rather than using the NHS pay spines for non-clinical staff to give service leads greater autonomy over employee pay decisions and removing the recruitment bottleneck of lengthy job description grading. This moved our HR team into an advisory role on pay.
- Creating an organisation-wide review of pay by band, by team and by role to ensure any inequities or disparities were identified so that we could work to eliminate them. This review is now performed bi-annually and overseen by our Enabling Team.

MAXIMISED THE ROLE OF OUR NEDS

With this being our second year with our NEDs, as a Board we more closely defined their functions and objectives to establish where they were needed and where their skills would be most useful with our new strategy. As the year has progressed and they have worked more broadly across our organisation, the demand on their time has increased and we have worked as a Board to prioritise their time in line with the strategic plan.

HIGH PERFORMING TEAM

As a Board, we recognised that our new strategic plan needs our commitment as a high performing team in order to succeed. We committed to reflecting on our Board days, both before and after the meeting, to ensure that our days encompassed all the elements of a high performing team, including clarifying ownership of decisions, having the right information for the questions we are asking, challenging when needed, holding each other to account, and prioritising. We also commenced a programme of inviting senior employees to join as guests both to hear their perspective and to help with their progression. We agreed to communicate more with the organisation about our Board discussions and decisions and have begun that through blogs, weekly internal newsletter articles and other organisation-wide emails. In seeing the benefits of this work to Board performance, we also extended the high performing team training across the organisation in several "Here is Learning" sessions.

EXCEPTIONAL CARE

We have a relentless focus on looking after our staff as we recognise that this enables them to look after the people in our services. We made three key decisions in this area this year to further improve this:

- Mid-2022 we agreed to explore combining our HR team with our People, Teams and Culture team to see if that would further our employees experience from recruitment all the way through their careers at Here.
- Through service lead and employee feedback, we had felt the two teams had different approaches which could sometimes be inconsistent with each other, and the organisation would benefit from combining the skills and the best of approaches of both teams. We created a People team as a result in August 2023.
- Our commitment to maintaining quality in our services was refreshed by appointing a Head of Quality as our second CQC Registered Manager. Our monthly cross-organisation quality meeting, QUASAR, was consulted for new terms of reference and scope, learning circles were refreshed, and compliance responsibilities allocated to the Contracts team.
- One of our key concerns at Board, from feedback in our staff survey, was that we needed to have a focused approach to EDI. We conducted an entire review and board discussion of what we thought good looks like and created two key workstreams:
- Through our quality reporting at the monthly QUASAR meeting, we asked service leads to establish metrics on who our services were and were not reaching and to determine why that was and plan how they might improve their reach.

CARE UNBOUND LIMITED

Strategic Report for the year ended 31 March 2023

- We also established an Everyone Culture which was supplemented by organisation-wide learning sessions on specific areas such as anti-racism, LGBTQ, disability and in changing how we recruit to remove any ability to discriminate. We updated our HR database with ethnicity for us to start exploring preliminary ethnicity pay gap data. We are also looking to implement applicant tracking software on our website, which anonymises applicants to help prevent unconscious bias.

CODIFYING RESERVE SETTING, BUDGETING AND INVESTMENT PROCESSES

As financially our budgets became even more key to decision making, the Enabling Team worked with service leads to gather feedback on the process and codify the reserves, budget setting and investment process in our Standing Financial Instructions, which is our main governance document. This enabled us to redesign the monthly financial reporting process so that we could assess as a Board whether we felt financially safe with reference not just to our budget, but to our business model, our cash flow, our strategic plan, and our reserves position. Better financial information would enable us to make better decisions, especially during periods of NHS system uncertainty and reduced NHS spend.

STRATEGIC THINKING FOR CHANGING MSK DELIVERY

As well as the creation of the Strategy and Innovation Team, we have been investing in creating space for innovation in our services. Last summer, we gave the MSK Managing and Clinical Directors space to explore radical service redesign ideas, based on the sustainability of current clinical models in a post-COVID landscape and acknowledging the challenges services will face as demand and the size and shape of the population shifts over coming decades. The output was captured in the Creating and Sustaining Excellence in MSK (CASE for Change) which provided a reshaped vision, purpose, and roadmap for the service. Since publication, the service has taken this direction of travel and to radically shift provision towards its goal of human and unhurried care. This has seen the delivery of several key projects, such as our innovative Community Appointment Days (CADs) which have received national attention and recognition for their success, alongside a suite of other projects like self-booking, the training academy, and a range of community-powered and engagement work, supported by our health equities data.

FUTURE DEVELOPMENTS

Although Here is still maintaining its period of growth, we are conscious that the impact of inflation and the deferral once again of commissioning long-term contracts means that we need to budget prudently and with an awareness that commissioning into 2024/25 and beyond is still uncertain. Contracting horizons within the areas of the NHS that we engage in has continued to be short-term. Our key focus is on the Pan-Sussex MSK provision, which is in the process of being commissioned, as well as several other new contracts.

After wide consultation with the Practice Unbound (PU) team and at Board, we wanted to determine the strategy for PU. We are exploring how our existing products Workflow and Pathology Go could be progressed by AI soon. Although we also have Prescribing Lifestyle Medicine, our clinician training product, in conjunction with Clinical Education, we launched a partner product GP Billing at the end of the financial year, with our new partner Total Billing Solutions. We hope to see further business synergies with both partners with other products and services. Strategically, we believe that the PU team's skills can help us to grow our wider Enabling services. Early in 2023, we agreed to position the team as part of a wider Enabling Services Team.

PRINCIPAL RISKS AND UNCERTAINTIES

Before every Board meeting, the CEO produces a risk report, updating each of the principal risks we face as an organisation and the mitigating actions we are taking for them. This enables us to focus as a Board on the changing nature of the risks across the year.

As a social enterprise in the healthcare sector, the risk within which we operate are many, however the three principal risks which we have faced this year are:

1. Contracting risk

The principal risk affecting the company's performance is the award of new contracts and the renewal of existing ones. Existing contracts may be extended but are often put out to competitive tender. Loss of contracts can lead to the loss of income streams that contribute to the company's overheads and can also lead to additional contract termination costs.

CARE UNBOUND LIMITED

Strategic Report for the year ended 31 March 2023

This risk was increased temporarily in April 2022, when commissioners transformed into Integrated Care Systems (ICSs) and Integrated Care Boards (ICBs), which led to an inevitable period of transition of key roles and processes within those organisations. Our senior team focused on building on any pre-existing relationships and establishing new ones to enable us to understand where our shared strategic goals were so that we could continue to be useful to the system. Contracting and decision-making was initially slower than before which led to difficult budgeting and planning and resourcing prior to the end of the financial year.

Our main contract, SMSKP was extended to September 2024, and our MAS and APC contracts were extended to March 2025. As a result of reevaluating our purpose and strategy, we consciously changed which contracts we were engaged with at the end of the financial year. This transition period increased the financial risk in our business as we let the Extended Access contract go to make create capacity for work which did align with our purpose, which we were in the process of bidding for. The financial tightening of our budgets that has resulted from the current change in contract mix has meant that we need to work to ensure that our business model is right sized for future growth, and that cost efficiencies continue to be sought.

The company manages this risk by having an established process for seeking and tendering for contracts supported by the Strategy and Innovation Team and the Contracts team. We also have a contract register so that we can manage supplier contractual commitments that may last longer than the company's current contract renewal dates and this is incorporated into our quarterly reserves sufficiency analysis for the Board.

2. Economic and financial risk

The high inflation levels that persisted in the year were concerning across our business. As a service delivery organisation, the most acute impact was on the cost-of-living pressure faced by our staff at all levels. We mitigated this risk to our employees by improving clarity and equity over pay, as detailed earlier. Agenda For Pay strike settlements were funded by our largest contract.

As a business, the impact of increased costs was felt across our non-pay costs, which was only partially compensated by small inflationary uplifts in some of our NHS contracts. As we renew each contract or take on new contracts we actively endeavour where possible, to build in entitlement to uplifts to help with the cost of inflation or increases in Agenda For Change pay.

Our service leads continue to find cost efficiencies or remodelled services to ensure that our services remain financially viable for our organisation without any compromise to quality or patient care.

As interest rates rose during the year, we have no debt, so we benefited as an organisation with higher interest income through treasury management of our cash balances. We increased our prices marginally in our commercial arm, Practice Unbound, however, this was the first price increase in several years.

With the NHS being our main debtor, we were not exposed to any debtor issues.

3. Workforce pressures

As inflation increased, the labour market changed dramatically as other organisations looked to attract employees with higher salaries, further increasing the pay pressure on Care Unbound and making it harder to compete for new employees.

Our inflationary pay increase helped to keep us competitive, and the establishment of a PCA Academy to recruit, onboard and train our entry level Patient Care Advisor role in cohorts helped us to maintain our establishment in our services. Currently, our staff survey results in early 2023 now shows significantly reduced risk in term of satisfaction with pay and benefits, and with much reduced intention to look for other work. This needs ongoing attention, particularly creating development opportunities for our employees.

CARE UNBOUND LIMITED

Strategic Report for the year ended 31 March 2023

SECTION 172(1) STATEMENT

The directors, in line with their duties under s172 of the Companies Act 2006, act individually and collectively in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its shareholders, and in doing so have regard, amongst other matters, to:

- The likely consequences of decisions in the long term;
- The interests of the company's employees;
- Business relationships with suppliers, partners and others;
- Impact of the company's operations of the community and the environment;
- Reputation for high standards of business conduct; and
- Acting fairly as between members.

The strategic report explains all of the principal decisions made by the company during the year that impacted our strategy, business model or long-term viability. We have detailed how the decision arose, which invariably comes from continually consulting with our employees, our patients, our commissioners, suppliers and our wider community. We have also described in each decision how we consult with the stakeholders most impacted, to better understand the needs. As a result of these processes described in the decisions, the Directors have the necessary oversight of the company's engagement with stakeholders to enable them to discharge their duty under s172(1) in the course of decision making.

ENGAGEMENT WITH EMPLOYEES

As you can see from the Strategic Report, employees have been key in nearly all of the strategic decisions that we have made in the last year. As well as seeking their views and advice, we have invested heavily in their wellbeing as we have emerged from the pandemic. This activity is detailed on pages 41-45 of our 2022/23 Annual Report.

Every employee of the organisation is encouraged to become an equal shareholder with equal voting rights. With the unwinding of the bi-lateral shareholdings between ourselves and the Brighton & Hove Federation, we had the opportunity to convert our shareholdings to employees only rather than a mix of GPs and employees as we had previously. Over the next year, we will be exploring with our employee shareholders what they want membership to mean for them.

After positive feedback from our launch last year, we continue to offer staff affordable interest free loans linked to payroll under our Orange Fund scheme and have made the process even more accessible recently. This has helped many of our employees to meet emergency costs or refinance expensive loans.

To further help our employees with the cost of living, we also introduced this year the provision of a weekly hot vegan lunch in the office and a free cereals breakfast bar. This has also seen the benefit of attracting many people back into the office as they balance out their hybrid working arrangements.

DISABLED EMPLOYEES

We are positive in harnessing the talents of people who have disabilities and endeavours to provide as much employment as the company's operations demand and the abilities of the disabled persons allow. We will not discriminate against members of staff because of a disability or perceived disability and actively welcome applications from people with disabilities. The company values the contribution of existing staff with disabilities and will treat staff fairly should they become disabled. The company runs training courses for managers to maintain organisation-wide understanding of this including the wide range of adjustments that are available to all employees.

SUPPLIERS AND PARTNERS

As a large company that purchases 66.4% from organisations based in Brighton and Hove and 70.3% from within Sussex in the last financial year, our suppliers are committed with having a long-term relationship with our company to maintain their sustainability in our community. Many of our contracts require us to subcontract and this provides an opportunity for suppliers to create jobs. They respect our ability to pay promptly within their requested payment terms, and for feedback that enables them to continually improve and grow the products and services which we use with them. Where supplier services have wanted to increase their billing with us, we have spoken with suppliers to understand their cost pressures, whether it is inflation or the ability to pay the Real Living Wage and negotiated value for money terms that are acceptable to both parties.

We work with several key partners in the delivery of our contracts, and we build into our contractual terms a governance around regular collaborative meetings to ensure optimum delivery and regular communication between partners.

CARE UNBOUND LIMITED

Strategic Report for the year ended 31 March 2023

We will be working further with our suppliers this year to conduct in parallel: a Modern Slavery review; and a sustainability review of our supply chain.

COMMUNITY IMPACT

As a social enterprise, one of our key tenets is to make a positive impact on our community. We do this through delivery of our services, as described in our Annual Report. As well as focusing our purchases as much as possible on local suppliers, we are a key recruiter for the locality.

Here has continued to financially support three companies with Start Up Loans: a Brighton GP Practice; a Brighton health food retailer; and our Welsh partner Yma, in which we have a 50% corporate shareholding. We extended further funding to Yma to support its role in the development of the Welsh health system which is beginning to show signs of gathering pace.

IMPACT ON OUR ENVIRONMENT

This is detailed in our Carbon Reduction Plan (CRP) for 2022/23 which is on our website (hereweare.org.uk).

The CRP has been completed in accordance with Public Procurement Notice (PPN) 06/21 and associated guidance and reporting standard for Carbon Reduction Plans. Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors and will be updated annually.

Further interaction is disclosed on pages 12-14.

Our Sustainability work is also detailed in our Annual Report on pages 46-50.

BUSINESS CONDUCT

Our overriding priority is to ensure the safety of the people who use our services. Our commitment to this is detailed in the strategic decision we made around quality in the Strategic Report.

To maintain our reputation for a high standard of business conduct; we completed the review of all of our HR and Governance policies which we had begun in the previous year. This was completed in consultation with service leads and the Enabling Team as well as our external HR advisor to ensure that all views were considered that we complied with legislation and best practice and that the new policies could be applied practically to how we conduct ourselves as an organisation. We wanted to ensure that the policies were reflective of our values so that we could apply them consistently but also with acknowledgement of an employee's specific circumstances.

As part of our overhaul of our Modern Slavery Statement, and in conjunction with our sustainability work, our policies are also reflective of our aims in those two key workstreams.

Our business conduct is also reinforced by training, and our work in this area is detailed in the Annual Report on pages 41-43.

ACTING FAIRLY AS BETWEEN MEMBERS OF THE COMPANY

The Directors have regard to the need to act fairly between members of the company, aiming to understand their views and act in their best interests. All employee shareholders have an equal vote, and voting rights and procedures are documented in our constitution. Our Annual General Meeting in March 2023 was participated in by 35% of our shareholders this year (prior year: 30%).

CARE UNBOUND LIMITED

**Strategic Report
for the year ended 31 March 2023**

GOING CONCERN

The directors have a reasonable expectation that the company has adequate resources to continue in existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

ON BEHALF OF THE BOARD:



.....
Dr H L Curr - Director

Date: 01/11/2023

CARE UNBOUND LIMITED

Report of the Directors for the year ended 31 March 2023

The directors present their report with the financial statements of the company for the year ended 31 March 2023.

PRINCIPAL ACTIVITY

We are a social enterprise. The principal activity of the company in the year under review was to create exceptional care, for everyone. Through partnerships with primary care and providers in health and social care, the company creates health services and solutions which are shaped around the need of the person. Any surplus funds are reinvested back into delivering our purpose.

DIVIDENDS

As a social enterprise it is embedded in our constitution that no distributions are made, consequently no dividends will be distributed for the year-ended 31 March 2023.

FUTURE DEVELOPMENTS

The directors' opinion on the future outlook and prospects of the Company has been included in the Strategic Report.

POST BALANCE SHEET EVENTS

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2022 to the date of this report.

Dr H L Curr
Mrs S E L Bartholomew
Mrs L A S Jay
Mr R J Taunt
Mrs M Kanjilal Williams
Ms A E Small

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Per its constitution, the company does not trade speculatively in derivatives or similar instruments. With interest rates increasing, we have invested a prudent amount in high interest deposit accounts with our bankers. We actively manage the balance between our current and high interest accounts to ensure the maximum return and that operational liquidity is maintained.

DONATIONS AND EXPENDITURE

Charitable donations during the year amounted to £130 (2022: £1,545). No political donations were made during the year (2022: £nil).

DISCLOSURE IN THE STRATEGIC REPORT

Certain matters required by regulation to be dealt with in the annual report have been dealt with in the Strategic Report rather than the Directors' Report. These include principle risks and uncertainties and going concern.

CARE UNBOUND LIMITED

Report of the Directors for the year ended 31 March 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable 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 company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

The auditors, Feist Hedgethorpe Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
Dr H L Curr - Director

Date: 01/11/2023
.....

CARE UNBOUND LIMITED

Energy and Carbon Report forming part of the Report of the Directors for the year ended 31 March 2023

COMMITMENT TO ACHIEVING NET ZERO

Care Unbound Ltd is committed to achieving Net Zero emissions by 2040 for the emissions we control directly (direct emissions) and 2045 for the emissions we can influence (indirect emissions), in line with the NHS Long Term Plan commitments.

BASELINE EMISSIONS FOOTPRINT

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

As a small and medium-sized company until FY20/21, the Company had not previously had a formal policy for sustainability reporting. However, as a social enterprise, we had been conscientiously working with our community and environment for many years, but not gathering data on this activity.

During 2022, we became aware that we would be a large company for the second year and would need to formalise our sustainability disclosures for our Streamlined Energy and Carbon reporting (SECR), and for NHS procurement we would need to follow PPN 06/21 and publish an annual CRP.

Baseline Year: FY21/22

Additional details relating to the Baseline Emissions calculations.

Scope 1 gas usage was sourced from landlord allocation of gas usage to our office building.

Scope 2 electricity usage was sourced from a combination of direct meter readings and bills, and landlord allocations of electricity to communal areas. Where we have unreliable readings, we have used a similar floor's usage as a proxy.

Scope 3 "Upstream" was sourced from a download of purchases by supplier from our accounting system, with allocations to different service and product categories. We excluded from this the SMSKP pass-through payments, and any suppliers where their data is used in another part of the calculation. Analysis between food and drink categories was hindered by a lack detail in some cases, but best assumptions were made.

Scope 3 "waste" was sourced from manual counts and extrapolation of refuse bag volumes, and detailed recycling analysis from Recorra, our recycling supplier. Our confidential shredding and recycling supplier Shred-On-Site also provided certified weight data.

Scope 3 "water" was sourced via our landlord via an allocation from a central bill. We assumed that 95% of water used was disposed of via the water system.

Scope 3 "business travel": given the time constraints of the manual extraction of this data, this was pro-rated from the analysis of our FY22/23 our expense claims, using the total expense claim and proportion that represents business travel as a basis for the calculation.

Scope 3 "employee commuting": as we had not produced an employee commuting survey in FY21/22, we prorated the pattern of results from the FY22/23 survey and extrapolated this to the statutory employee numbers.

Scope 3 "downstream" is zero as we do not produce any physical products. Our outputs are mainly services, and for Practice Unbound they are online or software products with no physical delivery.

Due to the nature of some of our clinic locations, we are not always able to measure energy and water use, for example in clinics and hospitals.

Baseline year emissions:

EMISSIONS		TOTAL (tCO ₂ e)
Scope 1: Gas		10.06
Scope 2: Electricity purchased		17.40
Scope 3:	Upstream Transportation and Distribution	1,343.87
	Waste generated	2.54
	Water used	0.72
	Business Travel	6.20
	Employee commuting	58.27
	Downstream Transportation and Distribution	0
Total emissions		1,439.06

CARE UNBOUND LIMITED

Energy and Carbon Report forming part of the Report of the Directors for the year ended 31 March 2023

CURRENT EMISSIONS REPORTING

Current Year: FY22/23

Additional details relating to the current year Emissions calculations.

Scope 1 gas usage was sourced from landlord allocation of gas usage to our office building.

Scope 2 electricity usage was sourced from a combination of direct meter readings and bills, and landlord allocations of electricity to communal areas. Where we have unreliable readings, we have used a similar floor's usage as a proxy.

Scope 3 "Upstream" was sourced from a download of purchases by supplier from our accounting system, with allocations to different service and product categories. We excluded from this the SMSKP pass-through payments, and any suppliers where their data is used in another part of the calculation. Analysis between food and drink categories was hindered by a lack detail in some cases, but best assumptions were made.

Scope 3 "waste" was sourced from manual counts and extrapolation of refuse bag volumes, and detailed recycling analysis from Recorra, our recycling supplier. Our confidential shredding supplier Shred-On-Site also provided certified weight data.

Scope 3 "water" was sourced via our landlord via an allocation from a central bill. We assumed that 95% of water used was disposed of via the water system.

Scope 3 "business travel" was sourced from our expense claims, with car type and size being assumed as petrol and average where the information was not given in our employee commuting survey which we ran in parallel. Taxis were all assumed to be regular and not black cab.

Scope 3 "employee commuting" was sourced from survey responses from 107 employees and extrapolated to our statutory employee number, 297.

Scope 3 "downstream" is zero as we do not produce any physical products. Our outputs are mainly services, and for Practice Unbound they are online or software products with no physical delivery.

Due to the nature of some of our clinic locations, we are not always able to measure energy and water use, for example in clinics and hospitals.

Current year emissions:

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1: Gas	11.65
Scope 2: Electricity purchased	18.33
Scope 3:	
Upstream Transportation and Distribution	1,305.66
Waste generated	2.16
Water used	0.67
Business Travel	10.12
Employee commuting	58.47
Downstream Transportation and Distribution	0
Total emissions	1,407.06

INTENSITY RATIOS

We believe that by using intensity ratios we can best show our carbon reduction path even as the business changes size. As a service industry, headcount best reflects this, so our carbon emissions per average employee figure, as shown in our financial statements is:

	2022/23	2021/22
Average employee numbers, per financial statements	297	296
Total emissions tCO ₂ e	1,407.06	1,439.06
TCO₂e per employee	4.74	4.86

We also believe that using revenue, excluding the SMSKP pass through payments, as an intensity ratio also shows our carbon reduction path, particularly as our mix of services changes over time. This is measured in kilograms of CO₂e rather than tonnes of CO₂e due to the lower values.

	2022/23	2021/22
Turnover (excl SMSKP pass through), per financial statements	£13,595,911	£13,168,063
kgCO₂e per £ net turnover	0.10	0.11

CARE UNBOUND LIMITED

Energy and Carbon Report forming part of the Report of the Directors for the year ended 31 March 2023

EMISSIONS REDUCTIONS TARGETS

To continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets. As this is the first year that we have formally measured our carbon footprint, we were encouraged to see the reduction in our carbon footprint.

To meet our net carbon trajectory, we project that carbon emissions will decrease to **1,199 tCO₂e by 2030**. This is a reduction of **16.7%**.

We do not want our carbon footprint measurements to be distorted by our growth, however, we want to demonstrate that our carbon footprint is reducing in proportion to our growth, hence we will link our targets to our intensity ratios as we go forward.

Environmental management measures and projects have been completed or implemented since the 2021/22 baseline. The carbon emission reduction achieved by these schemes equate to **32 tCO₂e**, a **2.2% reduction** against the 2021/22 baseline and the measures will be in effect when conducting our services.

Over the next year, we will be working to see if it is possible to obtain accurate baseline data in previous years, which we will plot with the same 2040 net zero target.

**Report of the Independent Auditors to the Members of
forming part of the Report of the Directors
Care Unbound Limited**

Opinion

We have audited the financial statements of Care Unbound Limited (the 'company') for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

**Report of the Independent Auditors to the Members of
forming part of the Report of the Directors
Care Unbound Limited**

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page eleven, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Members of
forming part of the Report of the Directors
Care Unbound Limited**

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- 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 company through discussions with directors and other management, and from our commercial knowledge and experience of the industry;
- 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 company, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; 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 company'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;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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;
- 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.

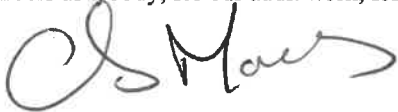
**Report of the Independent Auditors to the Members of
forming part of the Report of the Directors
Care Unbound Limited**

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Chris Morey (Senior Statutory Auditor)
for and on behalf of Feist Hedgethorne Limited
Statutory Auditors
Chartered Accountants
Preston Park House
South Road
Brighton
East Sussex
BN1 6SB

Date: 2 November 2023

CARE UNBOUND LIMITED**Statement of Comprehensive
Income
for the year ended 31 March 2023**

	Notes	2023 £	2022 £
TURNOVER	3	62,663,557	60,853,319
Cost of sales		(58,630,296)	(57,341,851)
GROSS PROFIT		4,033,261	3,511,468
Administrative expenses		(3,360,689)	(3,167,659)
OPERATING PROFIT and PROFIT BEFORE TAXATION		672,572	343,809
Tax on profit	7	(149,957)	-
PROFIT FOR THE FINANCIAL YEAR		522,615	343,809
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		522,615	
Prior year adjustment			246,799
TOTAL COMPREHENSIVE INCOME SINCE LAST ANNUAL REPORT			590,608

The notes form part of these financial statements

CARE UNBOUND LIMITED (REGISTERED NUMBER: 06528491)

**Balance Sheet
31 March 2023**

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	8	139,915	141,721
CURRENT ASSETS			
Debtors	9	876,199	1,759,750
Cash at bank and in hand		18,494,235	12,941,473
		<u>19,370,434</u>	<u>14,701,223</u>
CREDITORS			
Amounts falling due within one year	10	(16,271,816)	(12,137,619)
NET CURRENT ASSETS		<u>3,098,618</u>	<u>2,563,604</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,238,533</u>	<u>2,705,325</u>
PROVISIONS FOR LIABILITIES	13	(10,643)	-
NET ASSETS		<u><u>3,227,890</u></u>	<u><u>2,705,325</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	184	234
Capital redemption reserve	15	158	88
Retained earnings	15	3,227,548	2,705,003
		<u><u>3,227,890</u></u>	<u><u>2,705,325</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on01/11/2023..... and were signed on its behalf by:



.....
Dr H L Curr - Director

The notes form part of these financial statements

CARE UNBOUND LIMITED

Statement of Changes in Equity for the year ended 31 March 2023

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 April 2021	256	2,114,417	66	2,114,739
Prior year adjustment	-	246,799	-	246,799
As restated	256	2,361,216	66	2,361,538
Changes in equity				
Cancellation of shares	(22)	-	-	(22)
Total comprehensive income	-	343,787	22	343,809
Balance at 31 March 2022	234	2,705,003	88	2,705,325
Changes in equity				
Increase in share capital	20	-	-	20
Cancellation of shares	(70)	-	-	(70)
Total comprehensive income	-	522,545	70	522,615
Balance at 31 March 2023	184	3,227,548	158	3,227,890

The notes form part of these financial statements

CARE UNBOUND LIMITED

**Cash Flow Statement
for the year ended 31 March 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	5,836,148	2,856,271
Tax paid		(180,394)	(91,823)
Net cash from operating activities		<u>5,655,754</u>	<u>2,764,448</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(102,942)	(81,609)
Sale of tangible fixed assets		-	2,017
Net cash from investing activities		<u>(102,942)</u>	<u>(79,592)</u>
Cash flows from financing activities			
Share issue		20	-
Share buyback		(70)	(22)
Net cash from financing activities		<u>(50)</u>	<u>(22)</u>
Increase in cash and cash equivalents		<u>5,552,762</u>	<u>2,684,834</u>
Cash and cash equivalents at beginning of year	2	12,941,473	10,256,639
Cash and cash equivalents at end of year	2	<u><u>18,494,235</u></u>	<u><u>12,941,473</u></u>

The notes form part of these financial statements

CARE UNBOUND LIMITED

Notes to the Cash Flow Statement for the year ended 31 March 2023

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

	2023	2022
	£	£
Profit before taxation	672,572	343,809
Depreciation charges	69,547	79,856
Loss on disposal of fixed assets	35,201	-
	<u>777,320</u>	<u>423,665</u>
Decrease in trade and other debtors	883,551	21,244
Increase in trade and other creditors	4,175,277	2,411,362
	<u>4,175,277</u>	<u>2,411,362</u>
Cash generated from operations	5,836,148	2,856,271

2. CASH AND CASH EQUIVALENTS

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

Year ended 31 March 2023

	31.3.23	1.4.22
	£	£
Cash and cash equivalents	18,494,235	12,941,473

Year ended 31 March 2022

	31.3.22	1.4.21
	£	£
Cash and cash equivalents	12,941,473	10,256,639

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank and in hand	12,941,473	5,552,762	18,494,235
	<u>12,941,473</u>	<u>5,552,762</u>	<u>18,494,235</u>
Total	12,941,473	5,552,762	18,494,235

The notes form part of these financial statements

CARE UNBOUND LIMITED

Notes to the Financial Statements for the year ended 31 March 2023

1. STATUTORY INFORMATION

Care Unbound Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page. The registered office address and business address are the same.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

The presentation currency of the financial statements is the Pound Sterling (£), which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates and these estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The items in the financial statements where these judgements and estimates have been made include the useful economic life of tangible fixed assets, the depreciation of these assets and recoverability of debtors.

Key sources of estimated uncertainty:

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are depreciated over the approved depreciation rates. The carrying amount of tangible fixed assets is £139,915 (2022: £141,721) as noted in note 8.

Significant judgements:

In preparing these financial statements the management made significant judgements relating to the dates of contract terminations with Sussex Musculoskeletal Partnership (SMSKP) in relation to future liabilities of the contract. This provision of £11,581,550 (2022: £6,175,601) is included within other creditors.

Turnover

Turnover represents the fair value of consideration received or receivable net of VAT and trade discounts.

Revenue is recognised as contract activity progresses. Where revenue is dependent on meeting performance targets this is recognised if the company believes that a performance target has been met or will be exceeded on the basis of activity carried out before the year end. Where revenue is not dependent on meeting performance targets this is recognised evenly over the length of the contract. Revenue earned but not billed is included in debtors as accrued income and revenue billed in advance of revenue being recognised is included in creditors as deferred income.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended by management.

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

Furniture and equipment	- 25% on reducing balance
Computer equipment	- straight line between 4 and 5 years

CARE UNBOUND LIMITED

Notes to the Financial Statements - continued for the year ended 31 March 2023

2. ACCOUNTING POLICIES - continued

Other grants

The grants received during the period contains conditions that they must be fully utilised against the project for which the grant was provided. The accrual model is applied, with the income being recognised in revenue on a systematic basis over the periods in which the related costs are recognised. Unspent grant income is treated as deferred income.

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable, loans from banks and loans to and from related parties.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitutes a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date. If evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis as to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the profit and loss account as finance costs or finance income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

CARE UNBOUND LIMITED

Notes to the Financial Statements - continued for the year ended 31 March 2023

2. ACCOUNTING POLICIES - continued

Deferred tax

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

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

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

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. Current contributions are paid to the government who then pay current pensions in payment. As an unfunded scheme there is no share of the scheme assets and liabilities that can be identified. Therefore, the Scheme is accounted for as if it were a defined contribution scheme: the cost to the company of participating in the Scheme is taken as equal to the contributions payable to the scheme related to employee service for the accounting period.

In the case of early retirements the liability for the additional costs is charged to expenditure at the time the employer commits itself to the retirement, regardless of the method of payment.

The schemes are subject to a full actuarial valuation every four years and an accounting valuation every year. These valuations are used to set future contribution levels for employers and employees.

Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions.

The company also operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

Impairments

At each balance sheet date, the company reviews the carrying amount of its assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an 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 asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

CARE UNBOUND LIMITED

Notes to the Financial Statements - continued for the year ended 31 March 2023

2. ACCOUNTING POLICIES - continued

Holiday pay accrual

A liability is recognised within accruals for any unused holiday pay entitlement which is owed at the Balance Sheet date and carried forward to future periods.

This is measured as the salary cost of the future holiday entitlement, including social security and pension liabilities, if they were payable at the Balance Sheet date.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

All turnover is from activities arising in the UK.

4. EMPLOYEES AND DIRECTORS

	2023	2022
	£	£
Wages and salaries	5,642,036	5,380,798
Social security costs	581,462	462,404
Other pension costs	589,667	525,744
	<u>6,813,165</u>	<u>6,368,947</u>

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

	2023	2022
Directors	6	6
Administration	291	290
	<u>297</u>	<u>296</u>

An NHS pension scheme is operated by the company. The contributions are paid to the government as an unfunded, defined benefit scheme. However, as the assets and liabilities of the scheme cannot be identified, the scheme is accounted for as if it were a defined contribution scheme. The pension charge represents contributions payable by the company to the fund and amounted to £501,174 (2022 - £479,202). Contributions amounting to £88,039 (2022 - £66,699) were payable to the fund at the year end and are included in creditors.

A defined contribution pension scheme is operated by the company. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge represents contributions payable to the fund and amounted to £88,039 (2022 - £49,349). Contributions amounting to £18,150 (2022 - £10,403) were payable to the fund at year end and are included in creditors.

CARE UNBOUND LIMITED

Notes to the Financial Statements - continued for the year ended 31 March 2023

5. DIRECTORS' EMOLUMENTS

	2023	2022
	£	£
Directors' remuneration	330,874	376,047
Employers pension contributions	31,905	42,954
	<u>362,779</u>	<u>418,001</u>

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

	2023	2022
NHS pension scheme	2	2
Defined contribution scheme	3	3
	<u>5</u>	<u>5</u>

Information regarding the highest paid director is as follows:

	2023	2022
	£	£
Remuneration	108,610	93,898
Employers pension contributions	12,916	8,125
	<u>121,526</u>	<u>102,023</u>

Key management personnel including directors received remuneration of £437,659 and employers pension contributions to NHS pension scheme of £21,492 and to the defined contribution scheme of £13,357 during the year.

6. OPERATING PROFIT

The operating profit is stated after charging:

	2023	2022
	£	£
Hire of plant and machinery	8,828	15,066
Other operating leases	321,978	247,469
Depreciation - owned assets	69,547	79,856
Loss on disposal of fixed assets	35,201	-
Auditors' remuneration	22,871	13,860
	<u>438,425</u>	<u>456,251</u>

7. TAXATION

Analysis of the tax charge

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

	2023	2022
	£	£
Current tax:		
UK corporation tax	139,314	-
Deferred tax	10,643	-
Tax on profit	<u>149,957</u>	<u>-</u>

CARE UNBOUND LIMITED

Notes to the Financial Statements - continued for the year ended 31 March 2023

7. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

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

	2023 £	2022 £
Profit before tax	<u>672,572</u>	<u>343,809</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	127,789	65,324
Effects of:		
Adjustments to tax charge in respect of previous periods	-	(62,334)
Tax on permanent differences	28,165	1,165
Tax on deferred tax asset not recognised	(3,530)	(4,155)
Capital allowance super deduction	(5,868)	-
Difference between rate of deferred tax and corporation tax	<u>3,401</u>	<u>-</u>
Total tax charge	<u>149,957</u>	<u>-</u>

Factors that may affect future tax charges

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2021 (on 24 May 2021). These include increases to the main rate to increase the rate to 25% from 1 April 2023. Deferred taxes at the Balance Sheet date have been measured using this enacted tax rate and reflected in these financial statements.

8. TANGIBLE FIXED ASSETS

	Furniture and equipment £	Computer equipment £	Totals £
COST			
At 1 April 2022	57,954	833,581	891,535
Additions	4,576	98,366	102,942
Disposals	<u>(40,235)</u>	<u>(321,593)</u>	<u>(361,828)</u>
At 31 March 2023	<u>22,295</u>	<u>610,354</u>	<u>632,649</u>
DEPRECIATION			
At 1 April 2022	47,266	702,548	749,814
Charge for year	4,999	64,548	69,547
Eliminated on disposal	<u>(40,235)</u>	<u>(286,392)</u>	<u>(326,627)</u>
At 31 March 2023	<u>12,030</u>	<u>480,704</u>	<u>492,734</u>
NET BOOK VALUE			
At 31 March 2023	<u>10,265</u>	<u>129,650</u>	<u>139,915</u>
At 31 March 2022	<u>10,688</u>	<u>131,033</u>	<u>141,721</u>

CARE UNBOUND LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2023**

9. DEBTORS

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	226,900	490,222
Other debtors	83,522	298,864
Prepayments	211,472	173,215
Accrued income	251,305	701,449
	<u>773,199</u>	<u>1,663,750</u>
Amounts falling due after more than one year:		
Other debtors	<u>103,000</u>	<u>96,000</u>
Aggregate amounts	<u>876,199</u>	<u>1,759,750</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	636,648	1,344,211
Corporation tax	139,314	180,394
PAYE/NIC	140,495	121,577
VAT	101,447	63,271
Other creditors	11,814,469	6,591,034
Accruals	2,391,481	2,253,364
Deferred income	1,047,962	1,583,768
	<u>16,271,816</u>	<u>12,137,619</u>

11. LEASING AGREEMENTS

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

	2023 £	2022 £
Within one year	232,767	223,246
Between one and five years	<u>425,806</u>	<u>404,630</u>
	<u>658,573</u>	<u>627,876</u>

Lease payments recognised as an expense are £250,906 (2022: £238,569).

CARE UNBOUND LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2023**

12. FINANCIAL INSTRUMENTS

	2023	2022
	£	£
Financial assets		
Financial assets that are debt instruments measured at amortised cost	19,370,434	14,701,223
	<u>19,370,434</u>	<u>14,701,223</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(16,132,502)	(11,957,225)
	<u>(16,132,502)</u>	<u>(11,957,225)</u>

13. PROVISIONS FOR LIABILITIES

	2023	2022
	£	£
Deferred tax	<u>10,643</u>	<u>-</u>
		Deferred
		tax
		£
Deferred tax		<u>10,643</u>
Balance at 31 March 2023		<u>10,643</u>

CARE UNBOUND LIMITED

Notes to the Financial Statements - continued for the year ended 31 March 2023

14. CALLED UP SHARE CAPITAL

Allotted and issued:				
Number:	Class :	Nominal value:	2023	2022
			£	£
145	Ordinary A	£1	165	201
Allotted and issued:				
Number:	Class :	Nominal value:	2023	2022
			£	£
6	Ordinary B	£1	6	6
Allotted and issued:				
Number:	Class :	Nominal value:	2023	2022
			£	£
13	Ordinary GP	£1	13	27

During the year the company purchased 56 Ordinary A £1 shares, and 14 Ordinary GP £1 shares back from shareholders at par value. The company also issued 20 Ordinary A shares at par value. The company is a not for profit social enterprise and shareholders include local General Practitioners and employees. Employees are encouraged to purchase shares at their nominal value when they join the company and these shares are repurchased and cancelled when their employment ceases.

The shares in the company are divided into three classes: A shares, B shares and GP shares. All shares entitle their holders to full rights as shareholders with the following exceptions:

- no shares confer the right to participate in the profits, dividends and assets;
- no shares confer the right to participate in the assets of the company upon winding up;
- each shareholder is only entitled to hold one A Share and one GP share;
- no member holding an A share or a GP share shall be entitled to hold these at the same time as a B share.

On any resolution of the shareholders which comprises ordinary business, each holder of A and B shares shall be entitled to one vote. A holder of GP shares shall not have a right to vote on any ordinary business.

On any resolution of the shareholders which comprises GP business, each holder of GP shares shall be entitled to one vote.

15. RESERVES

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 April 2022	2,705,003	88	2,705,091
Profit for the year	522,615		522,615
Purchase of own shares	(70)	70	-
At 31 March 2023	3,227,548	158	3,227,706

CARE UNBOUND LIMITED

Notes to the Financial Statements - continued for the year ended 31 March 2023

16. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

During the year under review, key management personnel were advanced £16,500 (2022 - £Nil) and repaid £4,719 (2022 - £9,375).

As at the balance sheet date, key management personnel owed the company £14,438 (2022: £2,656).

The loans are interest free and repayable on demand.

17. RELATED PARTY DISCLOSURES

The company owns 50% of the Ordinary shares in Dyma Ni Limited, a company registered in England and Wales. The company's principal activity is the provision of health and social care services. As at 31 March 2023, Dyma Ni Limited owed the company £724 (2022: £4,748) for expenses paid on its behalf. Dyma Ni Limited also participates in the start up loan fund and owed the company £77,500 (2022: £50,000). The results of the company and the investment cost have not been included in the accounts as they are immaterial.

During the year, the Brighton Women's Centre, of which N Blunt, the Managing Director of the Sussex MSK Partnership, was Chair, provided services to the company totalling £28,264 (2022: £25,224). As at 31 March 2023, Care Unbound Limited owed the Brighton Women's Centre £2,452 (2022: £2,102). N Blunt has now stepped down from her role with the Brighton Women's Centre.

During the year, Kaleidoscope Health and Care, of which R Taunt, is founder, provided services to the company totalling £14,898 (2022: £Nil). As at 31 March 2023, Care Unbound Limited owed Kaleidoscope Health and Care £Nil (2022: £Nil).

18. POST BALANCE SHEET EVENTS

One significant post balance sheet event has occurred:

- The partners in the Sussex MSK Partnership have agreed a programme of investment from the risk pool from the current contract which we have been running since October 2014. We now have an opportunity to invest recent surpluses back into the current MSK Community services to extend our programme of improvements and innovations in the patient pathway, facing very real challenges post-COVID. Here will receive £1m in financial year 2023/24, in recognition of the sizeable risk that the respective partners have taken on behalf of the system since September 2014. Agreed investment plans also enable partners to improve access times and solve some of the key issues impacting on the MSK care for our population, including access to suitable clinical estates and aligning to the future service specification.

19. ULTIMATE CONTROLLING PARTY

In the directors' opinion there is no ultimate controlling party.

20. EQUITY RESERVE

Share capital - This represents the nominal value of shares that have been issued.

Retained earnings - Includes all current and prior period retained profits and losses.