

**Care South**  
**(Company limited by guarantee)**  
**Annual Report and Financial Statements**  
**for the year ended 31 March 2023**

# Care South

## Annual report for the year ended 31 March 2023

	<b>Pages</b>
Legal and administrative information	1
Strategic report	2 - 9
Directors' report	10 - 17
Independent auditors' report	18 - 21
Statement of financial activities (including income and expenditure account)	22
Balance sheet	23
Statement of cash flows	24
Notes to the financial statements	25 - 41

## Legal and administrative information

### Directors

Mrs Jane Stichbury CBE QPM DL  
**Chairman until 31 March 2023**

Mr Christopher Kean FCA +\*#^\$~\  
**Chairman from 1 April 2023**

Mrs Lindsay Ann Ansell  
(Resigned 14 December 2022)

Mrs Hayley Bonner \$  
(Appointed 1 September 2023)

Mr Paul Causton BA (Hons) MA Solicitor  
CTA +\$

Dr Richard Day FRCP FRCP(ED)  
(Resigned 14 December 2022)

Mr Richard Dyson #^

Mr Richard Groom MBE FCIB +^

Mr Charles Hunter FRICS +#\$\  
\\

Ms Sarah Philbrick \*^  
(Appointed 1 January 2023)

Dr Adrian Rozkovec \$  
(Appointed 1 November 2022)

Mr Geoffrey Warde MBE \*#^~\  
/

+ Member of the Audit Committee

\* Member of the Remuneration  
Committee

# Member of the Property and  
Development Committee

^ Member of the Finance Committee

\$ Member of the Care Governance  
Committee

~ Member of the Defects Recovery  
Committee

\  
Member of the Chairman's 2020  
Committee

### Executive Team

Simon Bird MRICS  
Chief Executive

Simon Jenner BA (Hons) FCA  
Finance Director & Deputy Chief Executive

Nicholas Fry BA (Hons) MRICS  
Property Director

Martin Ross  
Director of Care at Home

Margaret Searle MCIPD  
Director of Human Resources and Training

Phil Smith  
Director of Residential Care  
(Appointed 27 March 2023)

Aaron Whitehead  
Director of Residential Care  
(Resigned 31 October 2022)

Penelope Sargeant ACIS  
Board Secretary

### Registered Office

39 Commercial Road  
Poole, BH14 0HU

### Independent Auditors

Francis Clark LLP  
Towngate House  
2-8 Parkstone Road  
Poole, BH15 2PW

### Bankers

Barclays Bank plc  
1 Churchill Place  
London, E14 5HP

The Royal Bank of Scotland plc  
36 St Andrew Square  
Edinburgh, EH2 2YB

### Solicitors

Lester Aldridge LLP  
Russell House  
Oxford Road  
Bournemouth, BH8 8EX

## Strategic report for the year ended 31 March 2023

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

### Financial overview and future developments

Company incoming resources increased by 6.9%, compared with the previous year, up to £50.0m (2022: £46.7m). Income from charitable activities increased by £4.2m (9.4%) overall, while other income declined from £1.7m down to £0.4m. In residential care, some modest improvement in occupancy levels combined with higher average fee rates resulted in higher income levels. Within our care at home services, the volume of billed hours increased by 7%, pushing income levels higher. Other income levels reduced significantly, as the infection control, rapid testing and workforce retention and recruitment grants which had been received in the prior year came to an end. Income from these sources reached £1.6m in 2022, while no grants were received during 2023. Investment income increased by £0.4m, largely reflecting higher interest rates being received on cash balances held.

The Company's total expenditure increased by £5.0m and 12% up to £46.0m. This reflected significant rates of inflation in both staff and non-staff costs. The care sector suffered from acute staff shortages, fuelling higher pay rates, additional investment in recruitment & retention initiatives, along with higher usage of agency staff. These factors all contributed towards higher staff costs. We also saw unprecedented rates of increase in energy costs and double digit inflation impacting many other cost areas including catering supplies and property repairs and maintenance. The property related expenditure for the year also included non-routine costs of £0.6m for defect repairs at two of our care homes.

The Company reported a net income before other recognised gains and losses of £3.9m (2022: £5.7m). The reduction of £1.8m largely reflected the loss of grant income and the additional property defects spend, with underlying margin levels being maintained. After a challenging year for investment performance, unrealised losses of £0.6m were recorded on investments, with the high rates of inflation across many major economies and rising interest rates impacting performance.

After other recognised gains and losses, the Company reported a Net Movement in Funds of £3.3m (2022: £5.5m). The surplus for the year has been added to reserves. It is the Board's intention to invest significantly in both new and existing services in the coming years. The level of reserves held at the end of the year remains in excess of the range outlined within the Company's Reserves Policy, although the gap narrowed when compared to the previous year. Reserve levels are expected to fall back in line with the policy during 2024, with investment plans moving forward. The Company Balance sheet remains strong, with £19.3m held in cash reserves and a further £9.0m of liquid investments.

## Strategic report for the year ended 31 March 2023 (continued)

### Purposes and aims

In delivering Care South's purposes and aims, the Directors have considered Charity Commission guidance on public benefit. The Charitable Company has complied with the duty set out in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

Care South's purpose as set out in the objects contained in the Company's Memorandum of Association is to provide residential care facilities and other community care services in the south of England.

The Directors review the objectives and strategy each year. They have referred to the Charity Commission's general guidance on public benefit when undertaking this review and when planning future activities. The objectives and achievements are considered to incorporate the principal risks and uncertainties of the Company.

Care South's main activities are described in this Strategic report. All its charitable activities focus on the provision of residential care facilities and other community care services and are undertaken to further its charitable purposes for the public benefit.

### Care South's Long Term Strategy is as follows:

- To deliver quality care services which meet all relevant regulations and are rated at least "Good" by CQC;
- To attract, train, develop and retain engaged staff to deliver quality care services;
- To expand and develop a range of services to meet the needs primarily of older people, but not excluding other age ranges;
- To enhance the property portfolio of the charity to provide security for the future;
- To work with local authorities and other commissioners to meet the future need;
- To remain financially viable and maintain reserves in line with our Reserves Policy; and
- To continue the on-going programme of investment in the existing homes.

### Objectives and achievements for 2022-23

During 2022-23 we have returned to operating on a business as usual basis, following the significant impact of the Covid-19 pandemic. On 15 December 2022 the UK Government issued updated guidance, removing most of the remaining restrictions within care home settings and bringing to an end the longstanding requirement for the routine wearing of facemasks in care homes for care workers and visitors. It was pleasing for both our staff and our residents to be able to put the difficulties of the Covid-19 pandemic behind us and focus once again on living normal fulfilling lives. We remain extremely grateful for the outstanding dedication and resilience of our staff in keeping our residents, care at home clients and each other safe during what had been an extremely challenging period for all involved.

The objectives derived from our long-term strategy were reviewed and agreed by the Board in November 2022. The table below outlines our objectives for 2022-23 and our assessment of the achievement and success against each of these objectives.

## Strategic report for the year ended 31 March 2023 (continued)

Objective	Achievement
<p>To deliver quality care services which meet all relevant regulations and are rated at least “Good” by CQC.</p>	<p>The standard of care within our residential and care at home services is continually monitored through internal quality audits and feedback from residents/service users and relatives with constant focus upon delivering quality care. The Care Governance Committee reviews the results of internal audits and CQC inspections as part of the ongoing commitment to deliver quality care. The results of CQC inspections for Care South homes and services can be found at <a href="http://www.cqc.org.uk">www.cqc.org.uk</a>. Currently 89% of the Care South services are rated at least “Good” by CQC, which is above the national average of 83%. We are also confident that reinspection of the two services which have historic ‘requires improvement’ ratings would result in upgraded ratings. During the year, we continued to embed the new market leading electronic care planning system which has been implemented in our residential homes, while also introducing a new bespoke electronic care planning system into our care at home operation. These systems are generating significant benefits for our residents, care at home clients and our staff.</p>
<p>To attract, train, develop and retain engaged staff to deliver quality care services.</p>	<p>The Company continues to invest in training and development of staff, with a return to more face to face delivery of training during the year. In common with most of the care sector, we saw staff turnover rates and vacancy rates increase during the year. We have continued to invest in our HR and recruitment teams to address these sector wide challenges and saw some signs of improvement and reducing vacancy rates by the end of the financial year.</p>
<p>To expand and develop a range of services to meet the needs primarily of older people, but not excluding other age ranges.</p>	<p>The Company has previously targeted the expansion and development of the care at home offering and delivered growth in billed hours of 7% during the year, on top of the 14% growth which was seen last year. While the rate of growth has been slower than hoped for, the recruitment challenges within homecare have been particularly acute. We applied for and subsequently received Home Office approval for overseas applicant sponsorship licences in order to help boost the recruitment pipeline and expand capacity.</p>
<p>To enhance the property portfolio of the Charity to provide security for the future.</p>	<p>Construction has commenced on our spectacular art deco style new build 50 bed care home, Marjorie House during the year. Good progress is being made on the site overlooking Poole Harbour and we expect that the care home will be ready to welcome its first residents during the summer 2024. The company exchanged contracts for the purchase of a site in Wimborne during March 2023, with completion taking place post year-end. We are currently designing a scheme incorporating a new 60 bed care home and 40-50 assisted living apartments on the site. This care village type scheme is a concept that works well and one which we are keen to develop further.</p>

**Strategic report  
for the year ended 31 March 2023 (continued)**

<p>To work with local authorities and other commissioners to meet the future need.</p>	<p>The Executive Team continues to have strategic discussions with local authority and NHS commissioners, to identify and move forward with commissioning services tailored to local needs. During February 2023, a new residential care block bed contract commenced to support NHS Dorset in facilitating hospital discharge for patients from the Royal Bournemouth and Poole hospitals into an appropriate care setting. The scheme looks to quickly find the right long-term solution for each patient, to maintain a good flow through the block beds back into the community. The scheme has worked extremely well, with dedicated resources given to the scheme to help ensure a smooth and timely flow of patients through the beds, which were commissioned across a number of our local care homes. The beds have achieved high utilisation rates and we look forward to renewing our partnership once the initial contract period comes to an end. The Company also continued to work closely and flexibly with local authority commissioners during the year to support hospital discharge requirements at various pressure points throughout the year with care at home services.</p>
<p>To remain financially viable and hold reserves in line with our reserves policy.</p>	<p>During the year, Company reserves increased by £3.3m, after absorbing £0.6m of non-routine costs in repairing property defects. This reflected a positive operating performance from the business, following the cessation of grant income support to the care sector from central Government. Company unrestricted reserves reached £60.1m, which was slightly in excess of the range targeted by the reserves policy. Reserves are expected to soon return to a level within the targeted range, with significant investment plans now moving forward.</p>
<p>To continue the on-going programme of investment in the existing homes.</p>	<p>The Company continues to invest significantly in repairs, maintenance and improvements within existing services, to ensure that the environment and facilities in each of our residential homes are maintained in a good state of repair. Significant investment was made during the year in creating new dementia gardens at our Buxton House, Fairlawn and Kenwith Castle care homes, which are a great new facility for our residents. We also completed a significant kitchen extension at our Beauchamp House care home, creating a better working environment for our team of Chefs. Plans for a major redevelopment and construction project at our Sussexdown nursing home in West Sussex were submitted for planning, which will involve investment in a new build care home, along with a combination of converted and new build assisted living accommodation on site. Post year-end, planning consent has been granted.</p>

Our objectives for 2023/2024 remain unchanged.

## Strategic report for the year ended 31 March 2023 (continued)

### Review of business and developments during the year

The Statement of Financial Activities for the year is set out on page 22. A review of financial performance during the year and the closing financial position is included in the Financial overview and future developments section above.

Since its formation, Care South has built an excellent reputation for the provision of high quality care services – recognising the individual needs of its clients, and the importance of training and development of staff in the delivery of quality care.

In recent years, Care South has expanded its range of care services, operating across the south of England, from Devon to West Sussex, and embarked on a redevelopment programme for the replacement of some older homes, to include dedicated dementia facilities. Our care at home services now operate out of four dedicated offices, providing services to a range of local authority and NHS commissioners, as well as private clients.

Care South operates 15 residential care homes, some of which have dedicated dementia units; 3 currently providing nursing care. Our Castle Dene care home closed during December 2021, with the vast majority of residents and staff transferred to other Care South homes close by. Following major damage to its roof during storm Eunice, our Queensmead care home relocated to the vacated Castle Dene building during March 2022. It was subsequently decided that the move back to Castle Dene would be a permanent one, with the Queensmead building, which was leased from the BCP Council, handed back to the local authority. Castle Dene has been operating successfully since the relocation and currently participates in the block book bed arrangements with NHS Dorset

The Company owns the freeholds of 14 assisted living houses and apartments at Beauchamp House in Somerset, having repurchased in September 2022 the final property within the development previously sold on a long leasehold basis. The Company also owns the reversionary freeholds of 11 assisted living apartments built at Strome Park, Storrington; 18 assisted living apartments and cottages at St Ives House, Ringwood; 9 apartments at Alexandra House, Parkstone and 31 assisted living bungalows at Kenwith Castle Gardens, Devon. A further phase of development of an additional 27 assisted living bungalows is currently taking place at Kenwith Meadows, within the grounds of our Kenwith Castle site. The first two plots were sold during February 2023, with the Company retaining the reversionary freeholds. At all developments, the properties are either sold on a long leasehold basis or let on short-term tenancy agreements.

The Company owns eight care homes: Talbot View and Wickmeads in Bournemouth, Alexandra House in Poole, St Ives House near Ringwood, Maiden Castle House in Dorchester, Sussexdown in Storrington, West Sussex, Beauchamp House in Hatch Beauchamp, Somerset, and Kenwith Castle near Bideford, North Devon. It also owns the head office facility in Poole, and offices in Dorchester and Bath for organising the delivery of home care.

Care South leases four care homes: two from housing associations, Fairlawn in Ferndown, and Buxton House in Weymouth and one home, Fern Brook Lodge, from an investment fund. Fremington Manor near Barnstaple is leased from a private company. The Company also leases premises in Crewkerne for organising the delivery of home care. A further three homes are leased from BCP Council, with the lease on Castle Dene being renewed in October 2022 and the lease for the vacated Queensmead site being surrendered in January 2023.

The Company also owns the freehold interest of a site in Poole, with a new care home, Marjorie House under construction and due to open in summer 2024. Contracts were exchanged on the purchase of a freehold site in Wimborne during March 2023, with completion taking place during

## Strategic report for the year ended 31 March 2023 (continued)

May 2023. Plans to build a 60 bed care home and 40-50 assisted living units are currently being developed.

The Care South Learning & Development team provides an extensive programme of social care training, which includes all mandatory training required by law. In addition, general and management development training opportunities are made available to staff through face to face training, distance learning and e-learning. During the year, the level of face to face training increased as we got back to business as usual. Levels of mandatory training compliance are strictly monitored to ensure that staff within our services have received all necessary training.

### Risk management and controls

Care South has a formalised system for identifying risks to which the business may be exposed and ensuring that adequate controls are in place to manage risk. The risk register is reviewed on an ongoing basis, across all business functions, to ensure that actions are always in place to address new and emerging risks. The Board has allocated responsibility to the Executive Team for monitoring and managing these risks and requires regular reporting against the identified risks. The principal risks and uncertainties are identified and recorded in the risk register, along with the related controls and actions. The highest groups of risks which have been identified are shown in the table below:

Risk	Controls / Mitigation
Staff recruitment, retention and turnover – higher than normal levels of staff turnover, combined with recruitment challenges creating staffing shortages, impacting service delivery, placing additional pressure on existing staff and over reliance upon agency staff.	Increased resources channelled into recruitment. Mentoring and support for new starters. Reward, recognition, and employee assistance programmes for staff. Regular review of competitiveness of rates of pay in local markets. Sponsorship licence obtained from the Home Office to broaden pool of candidates. Implementation of measures to speed up the recruitment and onboarding process.
Reputational damage from lack of continuity of care, negative CQC findings, incidents and complaints.	Strong governance, with regular quality assurance visits to services and monitoring of KPIs. Risk assessments and focus from regional operations managers on services facing challenges. Service improvement plans in all services, reflecting feedback from internal audits, local authority and CQC monitoring visits.
Inadequate financial performance – poor economic climate, reduced occupancy levels or unexpected costs leading to non-compliance with bank covenant measures and lack of funds for investment in services.	Strong budgetary control and close monitoring of key financial KPIs. Focus on effective marketing and adapting service offering to market needs. Close relationship with bank lenders.
Pandemic or similar – potentially impacting the delivery of care, financial and reputational losses.	Strong infection control policies and procedures. Business Continuity Plans and ongoing reference to government guidance. Policies and procedures adapted on a dynamic basis to follow changes in government advice.

The Audit Committee is charged with the responsibility for ensuring that the organisation has appropriate control systems and receives recommendations from the auditors arising from issues identified during the audit. The Finance Committee considers the annual budget of the Company (prior to consideration and approval by the Board) and considers changes to financial policies where necessary.

## Strategic report for the year ended 31 March 2023 (continued)

The Board is responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and any other irregularities that could occur and thereby provide reasonable assurance that:

- the Company is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use or disposal;
- proper records are maintained and financial information used within the Company, or for publication, is reliable; and
- the Company complies with relevant laws and regulations.

In addition to its responsibilities for identifying and managing risks and approving the annual budget, the Board of Directors receives and considers regular financial reports for the Company, including explanations for variances from budget and other non financial indicators, including quality of care, health and safety, and those relating to staff and occupancy.

### Remuneration Policy

Care South has a Remuneration Committee which meets annually and determines the terms and conditions of employment of the Chief Executive and members of the Senior Management Team. The Chief Executive and Senior Management Team determine the salary levels for the Extended Management Team and these are approved by the Chairman prior to implementation. In considering salaries, the Committee reviews Care South's salaries against market rates and ensures amendments are made where appropriate.

### Section 172 (1) Statement

The Board of Directors, both individually and collectively act in good faith and in a way that they would consider would be most likely to promote the success of the Company and its stakeholders. Our key stakeholders include our residents and their relatives, our home care clients, our employees, our suppliers and the local communities in which we operate.

#### *Consideration of the Long Term Consequences of Decisions*

The consideration of the long term consequences of decision making is an integral part of the decision making process. As a not-for-profit Charity, the Company is not constrained by short term financial targets and takes decisions on the basis of the long term benefits for all of our key stakeholders.

#### *The Interests of the Company's Employees*

Our employees are fundamental to the quality of the services we are able to offer our residents and our care at home clients. Employing a well trained, motivated and engaged workforce is therefore of paramount importance to the Company. The Company invests extensively in the learning and development of our workforce and has developed a people plan to ensure that we operate best practice in staff recruitment, retention and engagement. The Care South Staff Association ensures that all sites and services are represented in two way discussions, allowing staff views and ideas to be incorporated in the decision making process. In addition, staff surveys are performed to assess the success of our approach and to develop action plans to invest further in workforce development.

## Strategic report for the year ended 31 March 2023 (continued)

### *Fostering of the Interests of the Company's Business Relationships*

Relationships with our clients and our suppliers are critical to the success of the Company. We aim to deal with our clients and suppliers in an open, honest and transparent way. We understand the importance of a professional and compassionate approach and look to treat all parties in a fair and equitable way, in line with our core values as a Charity. Our residents and care at home clients reflect a mix of local authority commissioned and private fee payers. The Company looks to develop and maintain positive working relationships with local authority commissioners and to position our services to offer a high standard of care reflecting good value for money for our private fee payers.

### *Impact on the Community & Environment*

We aim that all of the services operated by the Company are integrated within and enhance the local communities in which they operate. Establishing and nurturing local community links are a key element in the successful operation of our care homes, as we draw the majority of our residents and staff from those local communities. The Company is mindful of our responsibility to minimise our impact on the environment and our approach to this is outlined on page 14 within our carbon energy reporting statement.

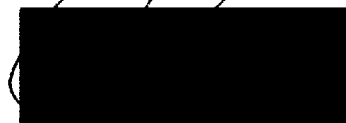
### *Reputation for High Standards of Business Conduct*

Honesty, integrity and transparency are fundamental to the way in which the Company operates. The success of our services is highly dependent upon maintaining high standards of service and building a strong reputation in our local communities. We aim to treat all of our stakeholders in a fair and equitable way.

### *Acting Fairly Between Members of the Company*

The Company is limited by guarantee and has no shareholders. The Trustee Directors are the members of the company and all members therefore have equal representation on the Board. The Chairman of the Board has a duty to ensure that all Board members are given the opportunity to express their views before any important decision is taken.

**By order of the Board**



Mr Christopher Kean  
Chairman  
27 September 2023

## Directors' report For the year ended 31 March 2023

The Directors, who are also the Charity's trustees under Charities Law, are pleased to present their report and audited financial statements for Care South for the year ended 31 March 2023. The Directors' report includes all the information that is required to be included in a trustees' annual report required by the Charities SORP (FRS102).

### Principal activities and future developments

Care South (the 'Company') is an independent Company limited by guarantee. It is a not-for-profit organisation and a registered charity governed by its Memorandum and Articles of Association. The main activities and objectives of the Charitable Company are to provide residential care facilities and other community care services in the south of England. The charity registration number is 1014697 and the Company registration number is 2565033.

The financial statements for 2022-23 represent the results of the Company for the 12 months to 31 March 2023. The principal source of income for the Company is the fees it charges for care services. The beneficiaries of the work of the Company are individuals who are in need of residential or nursing care, respite care, or services from care at home. The Company has contractual arrangements with individuals, local authorities and NHS Integrated Care Boards (ICBs).

The Company offers a range of care services and responds to changing needs of its users by working in partnership with local authority and NHS commissioners to develop and commission quality care services which meet the needs of the communities in which we operate. Care South also conducts customer service surveys amongst its residents, care at home clients, relatives, health and social care professionals, and the results of these influence the development and future direction of the Company.

The Company expects these principal activities to continue and further information on future developments has been included in the Strategic report.

### Investment policy

The Board reviews its investment policy annually. The current policy is to invest funds in a combination of bank deposit accounts and managed investment portfolios. Bank deposits are to be held in instant access accounts, or for fixed terms of six months or less. During December 2022, the Board accepted a recommendation from the Finance Committee to amend the Investment Policy to read as follows:

It is the Board's policy that deposits may be held at the following major banks: The Royal Bank of Scotland plc, HSBC plc, NatWest Bank plc and Lloyds Bank plc, as well as with the Company's principal banker, Barclays Bank plc. The value of deposits held with each bank other than Barclays Bank plc will be no more than one third of total cash balances. The Finance Director will allocate funds to approved banks in a way that optimises interest income on deposits, while maintaining a proportion of deposits in at least three separate banks.

It is also current policy that a minimum of £3.0m will be held in bank deposit accounts at any given time.

During the year, the Board authorised an increase in the level of funds placed in managed investment portfolios up from £6.0m to £9.0m.

## Directors' report for the year ended 31 March 2023 (continued)

### Policy on reserves

The Board considers annually the appropriate level of reserves to be held considering the requirements of the Company, in conjunction with the guidance issued by the Charity Commission. In determining a Reserves Policy, the Board has identified the following core objectives:

- The creation of a strong balance sheet position to support the development of the Charity and services, along with the improvement of the existing property portfolio and the construction or purchase of further residential care homes and care at homes offices.
- The establishment of sufficient reserves to ensure that the Company has appropriate liquidity to build resilience against short term or sudden fluctuations in income or cost levels and can ensure that commitments to providing services to our clients can be made with confidence.

Taking into consideration these core objectives, Board policy is to target a level of reserves sufficient to fund the fixed asset base held for use within the Company, to the extent that those assets are not funded by bank loans. Additionally, it is Board policy to hold further reserves sufficient to cover between 4 and 6 months of underlying operating expenditure. As at 31 March 2023, this represents a reserves target of between £51.4m and £59.1m, while the actual level of unrestricted reserves held is £60.1m.

Following the strong operating performance seen during recent years, the current level of reserves are slightly in excess the targeted range. It is however envisaged that this will be a short-term position and that the reserves level will return to the targeted range, as significant capital investment plans in both new services and development of existing services are now being taken forward.

### Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements are listed on page 1. None of the Directors had a material interest in any contract to which the Company was a party during the year.

The Board ensures that its governance is appropriate and effective by appointing Directors who come from a broad base of experience with diverse skills and who are conversant with the regulatory requirements of Corporate Governance.

Seven Committees report to the Board - Audit, Remuneration, Property and Development, Finance, Care Governance, Chairman's 2020 Fund and Defects Recovery, in order to ensure that the Board is represented across all key areas of the business.

During the year the Defects Recovery Committee was formed. The Defects Recovery Committee has been instigated in order to initiate and maintain oversight of actions being taken by the Company, to recover monies from third parties in relation to defective works performed at a number of properties. It was decided to keep this Committee separate from the Property and Development Committee, in order that both Committees have sufficient time to focus on their core objectives and so that the expertise of Committee members is closely aligned with the business of each Committee. It is the intention to disband the Defects Recovery Committee once all actions in relation to the property defects have been drawn to a conclusion.

## Directors' report for the year ended 31 March 2023 (continued)

The Board seeks to ensure that:

- Collectively the Board has the specific expertise, commitment and professional experience relevant to the Charity and its strategic development.
- Each Board member has a strong belief in the ethos and values that lie at the heart of Care South.

New Directors are appointed by recommendation from existing Directors or outside stakeholders taking account of the skills and knowledge required, and the need to maintain a diverse and dynamic Board.

New Directors are interviewed by the Chairman and one other Director prior to appointment by the Board. Every new Director has an induction. New Directors are encouraged to sit on one of the seven Committees and take an active interest in the affairs of the Company which includes visiting the care homes and home care offices.

Mr Paul Causton, Mr Charles Hunter, Mr Christopher Kean, Mrs Jane Stichbury, and Mr Geoff Warde are due to retire by rotation at the forthcoming Annual General Meeting. All are eligible to stand for re-election for a further three years.

Directors are not offered any remuneration but may be paid all reasonable travelling, hotel and other expenses incurred.

Directors' Indemnity Insurance, provided by a third party, is in place to protect the Directors and Officers in respect of negligence, default, breach of duty, or breach of trust of which they may be guilty in relation to their roles as Directors. The cost of the insurance for the year was £2,750 (2022: £2,500).

### Decision making in the Company

The Directors delegate day to day running of the Company to the Executive Team. Each member of the Executive Team attends and submits a written report at the Board and Committee Meetings. The Board approves annual operating budgets, staff budgets and capital expenditure budgets, and reports are submitted to Board members updating progress against the budgets at each of their meetings.

### Employees

The Company is committed to promoting equality and diversity within the workforce, recognising that everyone comes from a diverse background, with a variety of values and beliefs. Treating everyone as an individual and focusing on each staff member's individual strengths are embedded within the Company's values.

The Company gives full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities. Employees of the Company who become disabled during their employment are given appropriate training wherever possible. Disabled employees are given the same opportunities for career advancement as any other employee.

The Company recognises the importance of good communication and relations with employees and values their contribution to the Company.

## Directors' report for the year ended 31 March 2023 (continued)

### Staff Association

All employed staff are members of Care South's Staff Association. Each service has an elected representative and deputy who attends the Association meeting at least twice a year. This is an effective and constructive means of encouraging open communication and discussion, and the sharing of ideas and opinions amongst staff. Financial and economic factors that affect the performance of the Company are regularly reviewed and discussed. Staff Association representatives and deputies are elected at each of the company's care homes, care at home offices and head office. This allows staff representatives to bring forward any issues or concerns in relation to their specific service. Staff representatives are paid an allowance to recognise the responsibilities of the position in representing the views of all staff at their service.

Care South's Staff Association has the aims of:

- enabling all staff to put forward and develop constructive proposals and ideas;
- allowing consultation to take place through elected representatives on matters of general importance and concern including Health and Safety matters; and
- involving staff in the aims of the Company, thus increasing effectiveness, job satisfaction and engagement.

### Employee benefits

The Company enrolls all qualifying staff into a defined benefit pension scheme operated by The Pensions Trust. A small number of staff have alternative pension arrangements in place. During the year the tri-annual re-enrolment of staff who had opted out of the pension scheme took place, in line with pensions auto-enrolment legislation.

Employee benefits are regularly reviewed in order to ensure that the Company maintains competitive employment packages to attract and retain staff in what has become in recent times an increasingly competitive recruitment market.

### Financial risk management – bank loans

The Company has in place appropriate risk management measures that seek to limit the adverse effects of debt service costs on the financial performance of the Company by monitoring levels of debt finance and the related finance costs.

The Directors take overall responsibility for monitoring financial risk. The policies set by the Board of Directors are implemented by the Finance Director. In order to ensure stability of cash out flows and manage interest rate risk, the Board reviews what is in the best interests of the Company on each occasion that it enters into a loan agreement. To date, the Company has entered into eight main loan agreements at a mixture of fixed and floating rates.

### Financial risk management – credit risk

The Company credit risk is spread between both private individuals and local authority clients. The highest level of credit risk occurs when residents are moving between private and local authority funding. This can lead to uncertainty as to who is responsible for payment of fees and delays in payments being received, while the issues of funding responsibility are resolved. Therefore, while local authority funded residents are in principle a low credit risk, it is necessary to ensure that contract documentation is robustly managed to mitigate this risk. In respect of privately funded residential clients the Company takes appropriate steps to establish the credit worthiness of customers prior to admission, and they pay a deposit of one month's fees.

## Directors' report for the year ended 31 March 2023 (continued)

### Financial risk management – price risk

The Company's financial performance is exposed to the impact of inflation on both staff and non-staff costs. In order to ensure that increasing costs can be recovered, terms and conditions for private clients allow the pricing of services to be reviewed each year. Contracts with local authorities are considered on a case-by-case basis and reviewed to ensure they are financially sustainable for the Company.

### Financial risk management – liquidity and cash flow risk

It is Company policy to maintain a sufficient cash balance at all times in order to ensure liquidity. Investment and expenditure plans are considered prudently in line with the availability of funds.

### Relationships with related parties

The subsidiary companies in the group are dormant and there was no trade during the year. Details of related party transactions are found in note 22.

### Charitable and taxation status

The Charity Commissioner granted charitable status to the Company on 12 October 1992. Charitable activities are exempt from tax under section 505 of the Income and Corporation Taxes Act ("ICTA") 1988, and accordingly no corporation tax has been provided for in these financial statements.

The Company does not engage in fundraising to meet its charitable objectives.

### Carbon Energy Reporting

The table below outlines the energy use by the Company during the 2022-23 financial year.

<b>Carbon Energy Reporting 2022-23</b>		<b>Units 2022-23</b>	<b>Units 2021-22</b>
UK Energy Use (KWh)	Electricity	2,754,445	2,964,732
	Gas	9,136,790	9,878,180
	Transport	1,204,297	1,067,463
	<b>Total</b>	<b>13,095,532</b>	<b>13,910,375</b>
Associated Greenhouse Gases Tonnes CO2e	Electricity	533	630
	Gas	1,668	1,809
	Transport	335	299
	<b>Total</b>	<b>2,535</b>	<b>2,738</b>
Intensity Ratio 1 - Tonnes CO2e per FTE Staff member	Electricity	0.57	0.62
	Gas	1.79	1.79
	Transport	0.36	0.30
	<b>Total</b>	<b>2.71</b>	<b>2.71</b>
Intensity Ratio 2 - Tonnes CO2e per Million £ Income	Electricity	10.65	13.47
	Gas	33.36	38.72
	Transport	6.70	6.41
	<b>Total</b>	<b>50.71</b>	<b>58.60</b>

## Directors' report for the year ended 31 March 2023 (continued)

### *Energy Efficiency Measures Undertaken During the Year*

During 2022-23, the Group saw some significant reduction in energy usage from both electricity and gas, along with a notable increase in the use of energy from transport. The increase in the use of energy from Transport reflects that our operations have adopted a business as usual approach in 2022-23, following a period where visits by support staff to our care homes had been restricted in line with Covid-19 protocols. Visits of support staff to our care homes are an important part of ensuring a consistent delivery of high quality care and contribute a small proportion of our overall energy usage.

It was very pleasing to see reductions of 7.5% in gas consumption and 7.1% in electricity consumption year-on-year across our portfolio, which come on top of reductions in consumption seen in 2021-22. While our residential care business saw an increase in occupancy levels when compared to 2021-22, some part of the reduction in energy usage was attributable to operating from 15 sites during 2022-23, compared to 16 sites for most of the previous year. Nevertheless, most sites saw reductions in usage, some at significant levels.

Actions taken during the year included ongoing upgrade programmes to more efficient LED lighting and A rated boilers. We also focused on ensuring maximum running time for combined heat and power (CHP) units at care homes which have this technology, which generates electricity on site. This resulted in a substantial reduction in energy usage at our Alexandra House site. At all sites we introduced a programme of regular temperature measurement to ensure that our care homes are maintained at comfortable temperatures for our residents and introduced measures to raise awareness of energy efficiency among staff.

Intensity ratios based on income levels showed a reduction of a substantial 13.5% overall. The intensity ratio based upon FTE staff members was unchanged. The primary reason for the disparity is that while resident numbers and income levels increased during 2022-23, the FTE number actually showed a reduction of 8%. This was reflective of an extremely challenging recruitment market, which led to a significant increase in agency staff. As agency staff are not included within the FTE calculation, this impacts the calculation of the intensity ratio. For 2022-23 it therefore considered that the intensity ratios based upon income levels provide a better reflection of the reductions in energy consumption which have been achieved.

Overall, it was pleasing to see a 7.4% and 203 tonne reduction in greenhouse gases emissions, compared to the previous year. The Company remains committed to improving energy efficiency across our property portfolio, which will realise both environmental and financial benefits.

### *Methodologies Used in Calculating these Disclosures*

Usage of electricity and gas has been provided by our energy broker from meter data. Conversion from kWh to CO<sub>2</sub> has been made using the UK Government GHC conversion factors for company reporting. Energy usage for transport has been derived from mileage data taken from employee expense claims and from MOT mileage data for company owned vans and minibuses. Conversion of mileage into kWh and CO<sub>2</sub> equivalents has followed the same government reporting guidelines. Some restatement of data for 2021-22 has been made in order to reflect a consistent application of conversion factors in line with the guidelines.

### **Covid-19**

2022-2023 was a year of returning to business as usual and moving on from the previous difficulties caused by the Covid-19 pandemic. All forms of Government grant support came to an end in March 2022 and no support income was received during the year. Operationally, Covid-19 outbreaks continued to have some impact on our services, but at much more moderate levels.

## Directors' report for the year ended 31 March 2023 (continued)

During December 2022 the Government guidance in relation to the wearing of face masks in care homes was updated and the need for staff to routinely wear masks removed. This marked the end of the significant restrictions which had previously been in place and facilitates once again much easier communications between residents and staff. We remain extremely grateful for the extra-ordinary efforts of our dedicated frontline staff who worked so hard to keep our residents, care at home clients and each other safe throughout the period of the pandemic and restrictions. We also continue to operate to the enhanced levels of infection control which were introduced during the pandemic.

### Going Concern

Given the past, current and forecast performance of the Company, the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The Company is now very much operating on a business as usual basis and the need for our care services remains strong. Our business therefore has a sound basis upon which to look to the future with confidence. The Company continues to generate both strong positive operating cash-flow and profit levels. Post year-end, the Company has continued to trade profitably and has been seeing increased occupancy levels. Our forecasts and predictions of the Company's performance over the short, medium and long term support the assertion that going concern continues to be the appropriate basis on which to prepare the financial statements.

### Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" and applicable law). 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 the affairs of the Company and of the incoming resources and application of resources, including the income and expenditure, of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principals in the Charities SORP;
- state whether applicable United Kingdom Accounting Standards, including FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Directors' report for the year ended 31 March 2023 (continued)

### Statement of disclosure of information to auditors

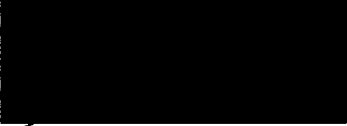
In the case of each Director in office at the date the Directors' report is approved:

- So far as the Director is aware, there is no relevant audit information of which the Charitable Company's auditors are unaware; and
- They have taken all steps that they ought to have taken to make himself/herself aware of any relevant audit information and to establish that the auditors are aware of that information.

### Independent auditors

The independent auditors, PKF Francis Clark, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

By order of the Board



Mr Christopher Kean  
Chairman  
27 September 2023

## Independent Auditor's Report to the Members of Care South

### Opinion

We have audited the financial statements of Care South (the 'company') for the year ended 31 March 2023, which comprise the Statement of Financial Activities, Charitable Company Balance Sheet, the Cash Flow Statement and the related notes, 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 the net income 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 Auditor's 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 original financial statements were 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.

## Independent Auditor's Report to the Members of Care South

### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company 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 Directors' report set out on page 16, 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 is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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.

## Independent Auditor's Report to the Members of Care South

### Auditor's responsibilities for the audit of the financial statements

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

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to Care South, was gained through appropriate audit engagement team selection (ensuring competence and capability to recognise non-compliance) and discussions with management. This covered any knowledge or evidence of actual and potential fraud, litigation and claims, which was followed up with corroborative audit review work. As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the charity's ability to continue trading and the risk of material misstatement to the accounts. Based on our understanding of the charity and industry, we identified that the principal risks of non-compliance with laws and regulations relating to Charity Commission and Care Quality Commission ("CQC"). We considered the extent to which non-compliance with these laws and regulations may have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as The Companies Act 2006.

We also discussed with management to what extent the business is exposed to fraud – either inherently because of nature of operations, assets or because of weaknesses in internal controls. From these discussions we have evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements. The key incentive identified is to ensure a good financial position to meet budgets and we determined that the principal risks were related to the overstatement of profit, either through overstating revenue, understating expenditure or management bias in accounting estimates.

Based on this understanding we designed our audit procedures to identify non-compliance with relevant laws and regulations. Our procedures involved the following:

- Enquiries of management regarding their knowledge of any non compliance with laws and regulations that could affect the financial statements. As part of these enquiries we also discussed with management whether there have been any known instances of fraud, of which there were none.
- Reviewed filings with the Charity Commission and whether there were any serious incident reports made during the year, of which there were none which had a material impact on the accounts.
- Reviewed documentation from the CQC to confirm compliance with standards, and ensuring continued registration with the CQC through the CQC website.
- Reviewed legal and professional costs to identify any possible non compliance or legal costs in respect of non compliance.
- Reviewed Board minutes.

**Independent Auditor's Report to the Members of Care South**

**Auditor's responsibilities for the audit of the financial statements – continued**

In response to the identified risk, as part of our audit work we:


- We sampled sales from contracts and other records outside the accounting system to ensure they are complete in the accounts. We reviewed documentation with customers to ensure the revenue can be recognised in the year, and we reviewed the calculations of accrued and deferred income.
- Audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

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

**Use of our report**

This report is made solely to the 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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

  
.....  
Duncan Leslie (Senior Statutory Auditor)  
PKF Francis Clark, Statutory Auditor

Towngate House  
2 – 8 Parkstone Road  
Poole  
BH15 2PW

Date: 03/10/2023  
.....

**Statement of financial activities (including income and expenditure account)  
for the year ended 31 March 2023**

	Note	Unrestricted funds 2023 £000	Restricted funds 2023 £000	<b>Total 2023 £000</b>	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total 2022 £000
<b>Income from:</b>							
Charitable activities	4	49,069	16	<b>49,085</b>	44,856	16	44,872
Investment income		543	-	<b>543</b>	135	-	135
Other income	5	357	-	<b>357</b>	1,732	-	1,732
<b>Total income</b>		49,969	16	<b>49,985</b>	46,723	16	46,739
<b>Expenditure</b>							
Expenditure on charitable activities	6	46,013	31	<b>46,044</b>	41,031	36	41,067
<b>Total expenditure</b>		46,013	31	<b>46,044</b>	41,031	36	41,067
<b>Net income</b>	9	3,956	(15)	<b>3,941</b>	5,692	(20)	5,672
Transfers		16	(16)	-	16	(16)	-
Losses on investments		(647)	-	<b>(647)</b>	(146)	-	(146)
<b>Net movements in funds</b>		3,325	(31)	<b>3,294</b>	5,562	(36)	5,526
Fund balances brought forward at 1 April		56,792	299	<b>57,091</b>	51,230	335	51,565
<b>Fund balances at 31 March</b>		60,117	268	<b>60,385</b>	56,792	299	57,091

The company has no recognised gains and losses other than those included above. All results derive from continuing operations.

There is no difference between the net income and the net movement in funds, as reported above, and their historical cost equivalents.

## Balance Sheet as at 31 March 2023

Company No 02565033	Note	2023 £000	2022 £000
<b>Fixed assets</b>			
Intangible assets	11	126	243
Tangible assets	12	43,613	41,680
Investments	13	11,915	9,433
<b>Total fixed assets</b>		<b>55,654</b>	51,356
<b>Current assets</b>			
Debtors	14	4,142	3,508
Cash at bank and in hand		19,334	21,810
<b>Total current assets</b>		<b>23,476</b>	25,318
<b>Creditors: amounts falling due within one year</b>	15	<b>(12,671)</b>	(11,234)
<b>Net current assets</b>		<b>10,805</b>	14,084
<b>Total assets less current liabilities</b>		<b>66,459</b>	65,440
<b>Creditors: amounts falling due after more than one year</b>	16	<b>(6,074)</b>	(8,349)
<b>Total net assets</b>		<b>60,385</b>	57,091
<b>The funds of the charity</b>			
<b>Restricted income funds</b>	18	<b>268</b>	299
<b>Unrestricted income funds</b>			
Designated funds	19	38,878	34,906
General funds	19	21,239	21,886
<b>Total unrestricted income funds</b>		<b>60,117</b>	56,792
<b>Total charity funds</b>		<b>60,385</b>	57,091

The financial statements on pages 22 to 41 were approved by the Board of Directors on 27 September 2023 and were signed on its behalf by:

  
Christopher Kean  
Chairman

  
Charles Hunter  
Director

## Statement of Cash Flows for the year ended 31 March 2023

	Note	2023 £000	2022 £000
<b>Net cash provided by operating activities</b>	23	<b>6,139</b>	8,072
<b>Cash flow from investing activities</b>			
Purchase of tangible fixed assets		(3,534)	(2,160)
Purchase of intangible fixed assets		-	(117)
Proceeds from the sale of tangible fixed assets		-	2
Financial investment		(3,130)	(3,075)
Cash balances transferred from subsidiaries			-
Dividends received		114	76
Interest received		429	59
<b>Net cash used in investing activities</b>		<b>(6,121)</b>	(5,215)
<b>Cash flow from financing activities</b>			
Loan interest paid		(355)	(289)
Receipt of bank loan		-	-
Loan capital repaid		(2,139)	(2,191)
<b>Net cash used in financing activities</b>		<b>(2,494)</b>	(2,480)
<b>Net change in cash and cash equivalents</b>		<b>(2,476)</b>	377
<b>Cash and cash equivalents at the beginning of the year</b>		<b>21,810</b>	21,433
<b>Cash and cash equivalents at the end of the year</b>		<b>19,334</b>	21,810

## Notes to the financial statements for the year ended 31 March 2023

### 1 General information

Care South ('the company') provides residential care facilities and other community care services in the south of England.

The company is an independent Company limited by guarantee and is incorporated and domiciled in England. The address of its registered office is 39 Commercial Rd, Poole, Dorset, BH14 0HU.

### 2 Statement of compliance

The financial statements of Care South have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102), Charities SORP (FRS102), the Companies Act 2006 and the Charities Act 2011.

### 3 Statement of accounting policies

A summary of the more important accounting policies is set out below.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. These financial statements are prepared on a going concern basis, under the historical cost convention except for financial instruments which are measured at fair value. Further details regarding use of going concern basis can be found in the Directors Report, page 16.

Care South meets the definition of a public benefit entity under FRS102.

#### Group financial statements

Group accounts have not been prepared. The financial statements contain information about Care South as an individual company and do not contain consolidated financial information as the parent of the group. The company is exempt from preparing group accounts on the basis that the subsidiary undertakings are dormant and immaterial.

#### Exemptions

FRS102 allows a qualifying entity certain disclosure exemptions subject to certain conditions which have been complied with. The company has taken advantage of the following exemption:

- The requirement of Section 33 Related Party Disclosures paragraph 33.7 to disclose the company's key management personnel compensation in total.

#### Tangible fixed assets

Generally, tangible fixed assets costing more than £2,000 are capitalised and included at purchase cost, including any irrecoverable VAT, together with any incidental costs of acquisition, less any impairment. Tangible fixed assets costing less than £2,000 are generally expensed as incurred.

### 3 Statement of accounting policies – continued

Depreciation is calculated so as to write off the cost of tangible fixed assets less their estimated residual values on a straight line basis over the expected useful economic lives of the assets concerned, as follows:

	Years
Buildings	50
Short Leasehold Improvements	Remaining length of lease
Computer Equipment	3
Fixtures, Fittings and Equipment	4-10
Motor Vehicles	4

Land and assets in the course of construction are not depreciated. Loan interest on debt taken out specifically to fund assets in the course of construction is capitalised and written off over the useful life of the asset.

In situations where an asset is not able to complete its initially assessed useful economic life, the remaining useful life is established, and it is written off over the shorter period.

Donated assets are recognised at the start of the assets' useful lives. The value of the assets is transferred to a restricted fund and the depreciation of those assets is charged to that fund.

A review for impairment of fixed assets is carried out at each balance sheet date to determine if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying value of the asset is impaired. Impairment losses are recognised in the Statement of Financial Activities.

#### Investments

Investments are stated at cost, less any provision for impairment in value.

Listed investments are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Software – 3 years

Amortisation is charged to charitable activities in the statement of financial activities. Where factors, such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances.

The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

#### Cash and cash equivalents

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

### 3 Statement of accounting policies - continued

#### Income

Income from charitable and other trading activities, which excludes value added tax, represents the value of the residential and domiciliary care services provided during the year and is recognised at the point the service is provided. Fee deposits invoiced and received in advance are deferred until such time as the service user ceases occupation in the Company's care homes. Income from revenue related to grants is recognised when received. Investment income is recognised in the period in which it is earned. Credit for legacy income is taken in the year in which the amount can be assessed with probable certainty. Legacies for the general purposes of the Charity are credited to 'General Funds'. Legacies subject to specific wishes of the donors are credited to 'Restricted Funds'.

#### Deferred income

Amounts received in advance in respect of Block Purchase Agreements are included in deferred income at the year end and also included in a restricted fund. Deferred income is released to the SOFA over the period of the related contract.

#### Expenditure

All expenditure is accounted for on an accruals basis. Costs in relation to governance are not material and have been included within the costs of charitable activities. Irrecoverable VAT incurred on resources expended is charged as a cost to the Statement of Financial Activities.

#### Pension costs

The Company has a defined contribution stakeholder pension scheme. From 1 September 2013 all qualifying staff not in an eligible pension scheme were enrolled in a flexible retirement plan as required by auto-enrolment legislation. Costs charged to charitable activities are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are recorded as either accruals or prepayments in the balance sheet.

#### Operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term.

#### Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS102 in respect of financial instruments.

##### a) *Financial assets*

Basic financial assets, including trade and other receivables, and cash and bank balances, are initially recognised at transaction price. Such assets are subsequently measured at amortised cost. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the income statement. Financial assets are derecognised when a) the contractual rights to the cash flows from the asset expire, or are settled, or b) when substantially all the risks and rewards of ownership of the asset are transferred to another party.

##### b) *Financial liabilities*

Basic financial liabilities including trade and other payables, and cash and bank balances, are initially recognised at transaction price. Such liabilities are subsequently measured at amortised cost. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

### 3 Statement of accounting policies - continued

Derivatives, which are not basic financial instruments, and take the form of interest rate swaps 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 values of derivatives are recognised in the Statement of Financial Activity as either finance cost or income as appropriate.

#### Designated funds

Designated funds are unrestricted funds that, at the discretion of the Directors, have been set aside for specific purposes. The balance of designated funds at the balance sheet date represents the net book value of fixed assets after taking account of related long term external financing.

#### Restricted funds

Restricted funds are funds which have been received for a specific purpose.

#### General funds

General funds may be used in accordance with the Company's charitable objectives at the discretion of the Directors.

#### Critical accounting judgements and estimates

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

##### Impairment of receivables:

The company makes an estimate of the recoverable value of debtors. When assessing impairment of receivables, management considers factors including the credit rating of the receivable, the ageing profile of receivables and historical experience.

##### Useful economic life of assets:

The carrying value of tangible fixed assets at 31 March 2023 (note 12), requires the directors to make an estimate of the assets' useful economic lives and undertake an annual review for impairment. The estimated lives applied are detailed on page 26.

##### Assets under construction:

The Directors are required to identify when expenditure is capital in nature and relates to the creation or improvement of an asset. Judgements are also required to determine when the asset has been completed and therefore brought into use, which will normally be the date at which an asset is brought into operational service. See note 12 for more details.

**4 Income from charitable activities**

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total 2023 £000	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total 2022 £000
Residential care services	43,948	16	43,964	40,093	16	40,109
Domiciliary care services	5,121	-	5,121	4,763	-	4,763
	<b>49,069</b>	<b>16</b>	<b>49,085</b>	<b>44,856</b>	<b>16</b>	<b>44,872</b>

**5 Other income**

	2023 £000	2022 £000
Infection Control and Rapid Testing grants	-	1,178
Workforce Retention and Recruitment grants	-	417
Insurance claims	85	-
Sundry income and utility costs recharged	272	137
	<b>357</b>	<b>1,732</b>

**6 Expenditure on charitable activities**

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total 2023 £000	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total 2022 £000
Residential care	36,129	31	36,160	31,837	36	31,873
Domiciliary care	4,338	-	4,338	3,936	-	3,936
Support costs	4,651	-	4,651	4,351	-	4,351
Other costs	540	-	540	618	-	618
Interest payable on bank loans	464	-	464	469	-	469
Gains on derivative financial instruments	(109)	-	(109)	(180)	-	(180)
	<b>46,013</b>	<b>31</b>	<b>46,044</b>	<b>41,031</b>	<b>36</b>	<b>41,067</b>

## 7 Directors' emoluments and key management compensation

Travel expenses of £1,553 were paid to Directors during the year (2022: £1,951). No emoluments are payable to the Directors (2022: £nil).

### Key management compensation

Key management includes the Directors and members of the senior leadership team. The compensation paid or payable to key management is shown below:

	<b>2023</b>	2022
	<b>£000</b>	£000
Salaries and other short-term benefits	<b>811</b>	847
Post-employment benefit	<b>59</b>	59
<b>Total compensation</b>	<b>870</b>	906

The number of key management personnel who received fees and other emoluments (including pension contributions) in the following ranges was:

	<b>2023</b>	2022
	<b>Number</b>	Number
£20,001 - £30,000	-	1
£80,001 - £90,000	-	1
£90,001 - £100,000	-	-
£100,001 - £110,000	<b>2</b>	2
£110,001 - £120,000	<b>2</b>	-
£130,001 - £140,000	-	1
£150,001 - £160,000	<b>1</b>	1
£190,001 - £200,000	-	1
£200,001 - £210,000	<b>1</b>	-
	<b>6</b>	7

## 8 Employee information

The average number of people employed by the Company in the financial year was 1,241 (2022: 1,308). This equates to the following average monthly number of full-time equivalent persons (including senior executives) employed by the Company during the year:

	2023 Number	2022 Number
<b>By activity</b>		
Management, administration, finance and training	127	145
Supervisors	118	138
Care, catering and domestic staff	689	728
	<b>934</b>	1,011
	<b>2023 £000</b>	2022 £000
<b>Staff costs (for the above persons)</b>		
Wages and salaries	23,450	23,699
Social security costs	1,990	1,890
Other pension costs	639	631
	<b>26,079</b>	26,220

Staff numbers have been reported on the basis of full time equivalent hours. In addition, temporary staff costs of £4,972,000 (2022: £2,150,000) were incurred for holiday cover, sickness, and staff shortages.

## 9 Net income

	2023 £000	2022 £000
<b>Net income is stated after charging:</b>		
Depreciation for the year:		
- Tangible fixed assets	1,601	1,530
- Intangible owned fixed assets	117	99
Operating leases - land and buildings	1,818	1,869
Profit/(loss) on disposal of fixed assets	-	2
Fees payable to the Company's auditors for the audit of the Company's financial statements	40	36
Fees payable to the Company's auditors for other services	78	79

## 10 Charitable and taxation status

The Charity Commissioners granted charitable status to the Company on 12 October 1992. Charitable activities are exempt from tax under section 505 of the ICTA 1988 and accordingly no corporation tax has been provided for in these financial statements.

## 11 Intangible assets

	Software	Total
	£000	£000
<b>Cost</b>		
At 1 April 2022	696	696
Additions	-	-
Transfers	-	-
Disposals	(62)	(62)
<b>At 31 March 2023</b>	<b>634</b>	<b>634</b>
<b>Accumulated amortisation</b>		
At 1 April 2022	453	453
Charge for the year	117	117
Disposals	(62)	(62)
<b>At 31 March 2023</b>	<b>508</b>	<b>508</b>
<b>Net book value</b>		
<b>At 31 March 2023</b>	<b>126</b>	<b>126</b>
At 31 March 2022	243	243

## 12 Tangible assets

	Land and Buildings £000	Assets Under Construction £000	Short Leasehold Improvements £000	Fixtures, Equipment and Motor Vehicles £000	Total £000
<b>Cost</b>					
At 1 April 2022	40,372	4,987	299	8,679	54,337
Additions	366	2,292	-	876	3,534
Transfers	449	(731)	-	282	-
Disposals	-	-	(47)	(1,796)	(1,843)
<b>At 31 March 2023</b>	<b>41,187</b>	<b>6,548</b>	<b>252</b>	<b>8,041</b>	<b>56,028</b>
<b>Accumulated Depreciation</b>					
At 1 April 2022	5,826	-	292	6,539	12,657
Charge for the year	778	-	1	822	1,601
Eliminated on disposal	-	-	(47)	(1,796)	(1,843)
<b>At 31 March 2023</b>	<b>6,604</b>	<b>-</b>	<b>246</b>	<b>5,565</b>	<b>12,415</b>
<b>Net book value</b>					
<b>At 31 March 2023</b>	<b>34,583</b>	<b>6,548</b>	<b>6</b>	<b>2,476</b>	<b>43,613</b>
At 31 March 2022	34,546	4,987	7	2,140	41,680

Included within Land and Buildings net book value are freehold land and buildings of £15,166,000 (2022: £14,656,000), leasehold buildings on a 999 year lease £187,000 (2022: £191,000), buildings where the land is held on a 125 year operating lease of £13,647,000 (2022: £14,015,000) and buildings where land is held on a 150 year operating lease of £5,583,000 (2022: £5,684,000)

The net book value of capitalised finance costs is £70,000 (2022: £72,000) which is included within land and buildings.

## 13 Investments

	Company 2023 £000	Company 2022 £000
Shares in group undertakings	2,871	2,871
Listed investments	9,044	6,562
	<b>11,915</b>	9,433

Investments in group undertakings are represented by the entire issued share capital of Beauchamp House Nursing Home Limited which was acquired on 31 January 2008, and Two Rivers Investments Limited which was acquired on 10 March 2011. The Directors consider the value of the investments to be supported by their underlying assets. Investments in Group undertakings are stated at cost.

Care South's two wholly owned dormant subsidiary companies are:

Beauchamp House Nursing Home Limited (Company number 01124433)  
Two Rivers Investments Limited (Company number 05139871)

The registered address of all subsidiaries is 39 Commercial Road, Poole BH14 0HU. All subsidiaries are incorporated in England and Wales.

At the balance sheet date, Beauchamp House Nursing Home Limited has reserves of £406,000 and Two Rivers Investments Limited has reserves of £2,465,000.

<b>Other investments</b>	<b>2023</b>	2022
	<b>£000</b>	£000
Listed Investments	<b>9,044</b>	6,562

The investments were valued by Investec Wealth and Investment Ltd based on the fair value which is equivalent to market price as at 31 March 2023.

**14 Debtors**

	<b>2023</b>	2022
	<b>£000</b>	£000
<b>Amounts falling due within one year:</b>		
Trade debtors	<b>2,195</b>	1,751
Other debtors	<b>67</b>	81
Prepayments and accrued income	<b>1,880</b>	1,676
	<b>4,142</b>	3,508

Trade debtors are stated after provision for impairment of £252,000 (2022: £290,000).

**15 Creditors: amounts falling due within one year**

	<b>2023</b>	2022
	<b>£000</b>	£000
Bank loans	<b>2,138</b>	2,138
Trade creditors	<b>4,069</b>	3,273
Amounts owed to subsidiary undertakings	<b>2,871</b>	2,871
Other creditors	<b>471</b>	559
Taxation and social security	<b>379</b>	452
Accruals and deferred income	<b>2,743</b>	1,941
	<b>12,671</b>	11,234

Amounts owed to subsidiary undertakings are unsecured, interest free and are repayable on demand.

	<b>2023</b>
	<b>£000</b>
Deferred income at 1 April 2022	<b>369</b>
Resources deferred in year	<b>462</b>
Amounts released from previous periods	<b>(353)</b>
<b>Deferred income at 31 March 2023</b>	<b>478</b>

**16 Creditors: amounts falling due after more than one year**

	<b>2023</b> <b>£000</b>	2022 £000
Bank loans	<b>5,534</b>	7,673
Accruals	<b>517</b>	528
Deferred income	<b>49</b>	65
Derivative financial instruments	<b>(26)</b>	83
	<b>6,074</b>	8,349

There are eight loan facilities repayable in instalments over durations ranging from 10 to 20 years at inception. The value of loans with fixed interest rates of between 5.9% and 6.6% is £4,166,000 (2022: £5,337,000). Loans with variable interest of base plus 2.25% total £1,710,000 (2022: £2,279,000). Loans with variable interest of base plus 2% total £1,796,000 (2022: £2,195,000). Each loan is secured on the property it was raised against.

**Maturity of bank loans**

	<b>2023</b> <b>£000</b>	2022 £000
In one year or less	<b>2,138</b>	2,138
In more than one year, but not more than two years	<b>2,138</b>	2,138
In more than two years, but not more than five years	<b>3,396</b>	5,016
In more than five years	<b>-</b>	519
	<b>7,672</b>	9,811

## 17 Financial Instruments

	2023 £000	2022 £000
Financial assets measured at amortised cost		
- Trade debtors	2,195	1,751
- Accrued income	1,245	1,076
- Other debtors	67	81
Financial assets at fair value through income and expenditure		
- Listed investments	9,044	6,562
<b>Financial assets</b>	<b>12,551</b>	<b>9,470</b>
Financial liabilities measured at amortised cost		
- Trade creditors	4,069	3,273
- Bank loans	7,672	9,811
- Amounts owed to subsidiary undertakings	2,871	2,871
- Accruals	2,782	2,010
- Other creditors	471	559
Financial liabilities measured at fair value through income and expenditure		
- Derivative financial instruments	(26)	83
<b>Financial liabilities</b>	<b>17,839</b>	<b>18,607</b>

**Derivative financial instruments**

The Company had entered into three interest rate swaps to receive interest at LIBOR and pay interest at fixed rates of 4.21%, 3.84% and 1.57%. The swaps are based on principal amounts of the Company's Barclays loan facilities, and mature in 2028, 2026 and 2025 on the same dates as the Barclays loans. Interest rate swaps are valued at the balance sheet date as advised by Barclays Bank.

Following the cessation of LIBOR, the interest rates swaps were amended to reference the Bank of England base rate during 2022.

**18 Restricted income funds**

	<b>Sussexdown Legacy</b>	<b>Maiden Castle Build</b>	<b>Total £000</b>
At 1 April 2022	<b>222</b>	<b>77</b>	<b>299</b>
Income	-	16	16
Transfers	-	(16)	(16)
Expenditure	(15)	(16)	(31)
<b>At 31 March 2023</b>	<b>207</b>	<b>61</b>	<b>268</b>

The balance of restricted funds at the balance sheet date represents a restricted legacy gifted to Sussexdown, along with the net book value of assets gifted from Dorset County Council to Maiden Castle House.

Deferred income in respect of the above is recognised as £16,000 in short term creditors and £45,000 in long term creditors. The movement in the year relates to depreciation across the life of the lease.

**19 Unrestricted income funds**

	<b>Designated Funds £000</b>	<b>General Funds £000</b>	<b>Total £000</b>
At 1 April 2022	34,906	21,886	<b>56,792</b>
Transfer from restricted funds	-	16	<b>16</b>
Transfer	3,972	(3,972)	-
Income	-	49,969	<b>49,969</b>
Expenditure	-	(46,013)	<b>(46,013)</b>
Unrecognised gains	-	(647)	<b>(647)</b>
<b>At 31 March 2023</b>	<b>38,878</b>	<b>21,239</b>	<b>60,117</b>

Designated funds represent the value of tangible and intangible fixed assets. A transfer has been made from general funds so that designated funds equal the value of fixed assets after taking account of external financing. Listed investments are included within general funds.

## 20 Analysis of net assets between funds

	Designated Funds	Restricted Funds	General Funds	Total 2023
	£000	£000	£000	£000
Fixed assets	46,550	61	9,043	<b>55,654</b>
Current assets	-	207	23,269	<b>23,476</b>
Current liabilities	(2,138)	-	(10,533)	<b>(12,671)</b>
Long term liabilities	(5,534)	-	(540)	<b>(6,074)</b>
<b>Total Net Assets</b>	<b>38,878</b>	<b>268</b>	<b>21,239</b>	<b>60,385</b>

## 21 Pension obligations

## Defined Contribution Schemes

The Defined Contribution schemes are stakeholder pension schemes and flexible retirement plans that are independently administered by regulated Financial Services companies. The cost of contributions to the schemes amounted to £19,000 (2022: £19,000) and £620,000 (2022: £619,000) respectively. Contributions of £2,000 (2022: £2,000) and £112,000 (2022: £112,000) were owed to the schemes respectively at the end of the year.

## 22 Related parties transactions

The Company had the following balances outstanding with its wholly owned subsidiaries at 31 March 2023:-

- £406,000 owed to Beauchamp House Nursing Home Ltd (2022: £406,000)
- £2,465,000 owed to Two Rivers Investments Ltd (2022: £2,465,000)

Care South leases land on a long leasehold basis from the T H Russell Charitable Trust at our St Ives House site near Ringwood. Mrs Lyndsay Ann Ansell, who was a Director of Care South until 14 December 2022 is also a Trustee of the TH Russell Charitable Trust. The rent paid under the lease during the financial year whilst Mrs Ansell was a Director amounted to £87,000 (£123,000 during the whole financial year ended 31 March 2022).

## 23 Reconciliation of net income before other recognised gains to net cash provided by/(used in) operating activities

	2023 £000	2022 £000
Net income (before other recognised gains and losses)	3,941	5,672
Depreciation	1,601	1,530
Amortisation	117	99
Dividends received	(114)	(76)
Interest received	(429)	(59)
Interest expensed	355	289
(Profit)/loss on disposal of fixed assets	-	(2)
Increase in debtors	(634)	(65)
Increase/(decrease) in creditors	1,302	684
<b>Net cash provided by operating activities</b>	<b>6,139</b>	<b>8,072</b>

## 24 Capital commitments

The Company has entered into contracts for building works at our Beauchamp House and Fern Brook Lodge properties, along with a new build development, Marjorie House in Poole. Capital commitments at the balance sheet date in relation to these contracts total £8.9m (2022 £624,000).

## 25 Contingent liabilities

The Company has no material contingent liabilities at 31 March 2023 (2022: £2.0m).

## 26 Post balance sheet events

On 19 May 2023, the Company acquired the Freehold Interest in a site located in Wimborne, for a sum of £2.5m. It is the intention of the Company to build a residential care home, and to build a village of self-contained assisted living apartments. The Company has funded the purchase from existing cash reserves.

## 27 Financial commitments

At 31 March the Company is committed to the following future minimum lease payments under non-cancellable operating leases:

	2023 Land & Buildings £000	2022 Land & Buildings £000
Within one year	1,805	1,801
Within 2 to 5 years	6,563	6,198
After 5 years	42,190	42,231

**28 Limited liability**

The Company is limited by guarantee and does not have a share capital. The Directors are the guarantor members for £1 each.

**29 Analysis of changes in net debt**

	At 1 April 2022 £'000	Cash flows £'000	At 31 March 2023 £'000
<b>Cash and cash equivalents</b>			
Cash	21,810	(2,476)	19,334
Overdrafts	-	-	-
	21,810	2,476	19,334
<b>Borrowings</b>			
Debt due within one year	(2,138)	-	(2,138)
Debt due after one year	(7,673)	2,139	(5,534)
	(9,811)	2,139	(7,672)
<b>Total</b>	11,999	(337)	11,662