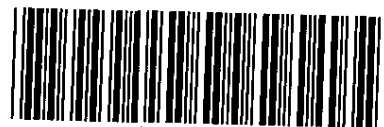


HILLCREST CARE LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

WEDNESDAY



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COMPANIES HOUSE

HILLCREST CARE LTD

COMPANY INFORMATION

Directors	Ms J August Mr J Clark
Company number	03071992
Registered office	Malvern View Saxon Business Park Hanbury Road Stoke Prior Bromsgrove B60 4AD

HILLCREST CARE LTD

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HILLCREST CARE LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and unaudited financial statements of the company for the year ended 31 December 2021.

For the year 31 December 2021 the company was entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies.

Principal activities

The company's principal activity is to act as a holding company. The principal activity of its subsidiary undertakings is the provision of childrens services.

Business Review

The Company's loss for the year was £27,000 (2020: £33,000 loss)

The results for the year and the final position of the company are as shown in the financial statements on pages 4 to 12.

Dividends

The directors have not recommended a dividend. No dividends were paid in the year (2020: £nil).

Going Concern

The company is a member of the Nutrius UK BIDCO Group and is a party to the financing arrangements of the wider Group. Hence the Directors have assessed the future funding requirements of the Company through the consideration of financial forecasts for the Group for a period extending to 12 months from the date of signing these financial statements. Taking into account the current and anticipated financial performance of the Group and Company the forecasts include an assessment of the continued impact of COVID-19 and the impact of severe but plausible downsides on the future trading performance of the group.

The Group manages its liquidity needs through a combination of working capital (including cash balances) and long term senior debt facilities, the latter of which includes certain quarterly covenant tests. The Group monitors its debt servicing requirements through the daily and weekly assessment of the business performance including cashflows.

The forecasts indicate that the Group and therefore the Company has sufficient facilities and covenant headroom to meet its liabilities as they fall due for at least 12 months from the date of the financial statements even in the severe but plausible scenario. On this basis the Directors consider it appropriate to adopt the going concern basis in preparing these financial statements.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Ms J August
Mr J Clark

The directors benefit from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Charitable contributions and political donations

The company made no charitable or political donations during the year (2020: £nil)

HILLCREST CARE LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Risk Management

The principal risks and uncertainties affecting the business are considered to be the following:

Financial risk management

The Group's operations expose it to a variety of financial risks that include pressure on price risk, credit risk, liquidity risk, cash flow and interest rate risk. The Group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Group by monitoring levels of income, expenditure and liquidity.

Liquidity risk

The company has access to Group borrowing facilities to maintain liquidity and consequently this risk is considered to be relatively low. The levels of the Group's borrowing facilities and the financial covenants associated with its loans are actively and regularly reviewed by management.

Cash flow and interest rate risk

The Group prepares monthly cash flow projections monitoring funds available in order to manage this exposure.

Statement of directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with Section 476; and the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

HILLCREST CARE LTD

DIRECTORS' REPORT (CONTINUED)

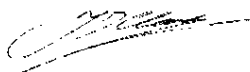
FOR THE YEAR ENDED 31 DECEMBER 2021

Strategic Report

For the year ended 31 December 2021 the directors have chosen to take the small companies exemption conferred by Section 414B of The Companies Act 2006 and not provide a Strategic Report.

This report was approved by order of the Board on 28 September 2022 and signed on its behalf by:

On behalf of the board



Mr J Clark
Director

28 September 2022

HILLCREST CARE LTD

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Year ended 31 Dec 2021 £000's	Year ended 31 Dec 2020 £000's
Profit before taxation		-	-
Tax on profit	3	(27)	(33)
Loss for the financial year		<u>(27)</u>	<u>(33)</u>

All amounts relate to continuing operations.

There is no difference between the results stated above and their historical cost equivalents.

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been prepared.

HILLCREST CARE LTD

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £000's	2020 £000's
Fixed assets			
Investments	4	-	-
Current assets			
Debtors	6	3,022	3,022
Creditors: amounts falling due within one year	7	(122)	(95)
Net current assets		<u>2,900</u>	<u>2,927</u>
Capital and reserves			
Called up share capital	8	461	461
Share premium account		67	67
Capital redemption reserve		100	100
Profit and loss reserves		<u>2,272</u>	<u>2,299</u>
Total equity		<u>2,900</u>	<u>2,927</u>

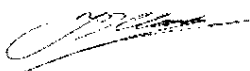
For the financial year ended 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

The financial statements were approved by the board of directors and authorised for issue on 28 September 2022 and are signed on its behalf by:



Mr J Clark
Director

Company Registration No. 03071992

HILLCREST CARE LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital £000's	Share premium account £000's	Capital redemption reserve £000's	Profit and loss reserves £000's	Total £000's
Balance at 31 December 2019	461	67	100	2,332	2,960
Year ended 31 December 2020:					
Loss and total comprehensive income for the year	-	-	-	(33)	(33)
Balance at 31 December 2020	461	67	100	2,299	2,927
Year ended 31 December 2021:					
Loss and total comprehensive income for the year	-	-	-	(27)	(27)
Balance at 31 December 2021	<u>461</u>	<u>67</u>	<u>100</u>	<u>2,272</u>	<u>2,900</u>

HILLCREST CARE LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Hillcrest Care Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Malvern View, Saxon Business Park, Hanbury Road, Stoke Prior, Bromsgrove, B60 4AD.

1.1 Statement of compliance and basis of preparation

The financial statements have been drawn up on a going concern basis under the historical cost convention, and in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 and the Companies Act 2006.

The financial statements have been prepared to 31 December 2021, which is within 7 days of the accounting reference date.

The directors have conducted a review of the company's accounting policies and have confirmed that they are the most appropriate for the purposes of giving a true and fair view of the Company's results and have been consistently applied.

1.2 Going concern

The company is a member of the Nutrius UK BIDCO Group and is a party to the financing arrangements of the wider Group. Hence the Directors have assessed the future funding requirements of the Company through the consideration of financial forecasts for the Group for a period extending to 12 months from the date of signing these financial statements. Taking into account the current and anticipated financial performance of the Group and Company the forecasts include an assessment of the continued impact of COVID-19 and the impact of severe but plausible downsides on the future trading performance of the group.

The Group manages its liquidity needs through a combination of working capital (including cash balances) and long term senior debt facilities, the latter of which includes certain quarterly covenant tests. The Group monitors its debt servicing requirements through the daily and weekly assessment of the business performance including cashflows.

The forecasts indicate that the Group and therefore the Company has sufficient facilities and covenant headroom to meet its liabilities as they fall due for at least 12 months from the date of the financial statements even in the severe but plausible scenario. On this basis the Directors consider it appropriate to adopt the going concern basis in preparing these financial statements.

1.3 Turnover

The Company does not provide any revenue generating services.

1.4 Currency

The company's functional and presentation currency is the British pound sterling.

1.5 Cash flow statement

The intermediate parent undertaking, Nutrius UK BIDCO Limited, has included a cash flow statement in its financial statements for the year ended 31 December 2021. Under the exemptions conferred by paragraph 1.12(b) of Financial Reporting Standard 102, no cash flow statement is therefore required in the financial statements of this company.

1.6 Consolidation exemption

The financial statements contain information about Hillcrest Care Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its intermediate parent, Nutrius UK BIDCO Limited, a company registered in England and Wales.

HILLCREST CARE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

1.7 Investments

Investments in subsidiary undertakings are recorded at costs plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

1.8 Taxation

Current Tax

Current tax is the amount of income tax payable in respect of the taxable profit for the period and prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted at the period end.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are temporary differences between profits as computed for tax purposes and profits as stated in the financial statements, which arise because certain items of income and expenditure in the financial statements are dealt with in different years for tax purposes.

Deferred tax is measured at the average tax rates that are expected to apply in the years in which the timing differences are expected to reverse based on tax rates that have been enacted, or substantively enacted, by the balance sheet date. Deferred tax is not discounted.

Deferred tax assets are only recognised when, on the basis of all available evidence, it is considered more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

1.9 Financial instruments

The intermediate parent undertaking, Nutrius UK BIDCO Limited, has included a consolidated financial instruments disclosure note in its financial statements for the year ended 31 December 2021. Under the exemptions conferred by paragraph 1.12(c) of Financial Reporting Standard 102, no financial instrument disclosure note is therefore required in the financial statements of this company.

Financial Assets

Basic financial assets include trade and other receivables and cash at bank balances and are recognised at transaction price.

Financial assets are derecognised when the contractual rights to the cashflows expires or are settled.

Financial Liabilities

Basic financial liabilities include trade and other payables and are initially recognised at transaction price.

1.10 Cash and cash equivalents

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

HILLCREST CARE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

1.11 Provisions and contingencies

Provisions are recognised when the Company has a present obligation as a result of past events, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are recognised when probable. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow is remote.

Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable, and are recognised when concluded virtually certain.

1.12 Share capital

Ordinary shares are classified as equity.

1.13 Dividends

Dividends and other distributions to company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders. These amounts are recognised in the statement of changes in equity.

2 Staff costs

The company has no employees other than the directors.

Directors of the company are remunerated by fellow group companies and the remuneration is disclosed in those accounts.

HILLCREST CARE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Taxation

	2021	2020
	£000's	£000's
Current tax		
UK corporation tax on profits for the current year	27	33

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2021	2020
	£000's	£000's
Profit before taxation	-	-
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	-	-
Adjustments in respect of prior years	-	-
Transfer Pricing Adjustments	27	33
Taxation charge for the year	27	33

A change to the UK corporation tax rate was substantively enacted as part of Finance Bill 2021 in May 2021. The headline rate of corporation tax will increase from 19% to 25% from 1 April 2023. The rate for small businesses (with profits under £50,000) will remain at 19% and marginal relief for businesses with profits under £250,000 will be introduced so that they pay less than the main rate.

The deferred tax assets and liabilities in these financial statements have been calculated based on these assets and liabilities reversing at 25% (2020: 19%), apart from that relating to pensions which will reverse within 12 months, as this rate has been substantively enacted at the balance sheet date.

4 Fixed asset investments

	Notes	2021 £	2020 £
Investments in subsidiaries	5	100	100

5 Subsidiaries

The directors believe that the carrying value of the investments is supported by their underlying net assets or future cash flows.

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Orange Grove Fostercare Ltd	Wavendon Tower Ortensia Drive Wavendon Milton Keynes MK17 8LX	Ordinary	100.00

HILLCREST CARE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Debtors

	2021	2020
	£000's	£000's
Amounts falling due within one year:		
Amounts owed by group undertakings	3,022	3,022

The amounts owed by the group undertakings and parent company are unsecured, non-interest bearing and repayable on demand.

7 Creditors: amounts falling due within one year

	2021	2020
	£000's	£000's
Amounts owed to group undertakings	54	27
Corporation tax	68	68
	122	95

The amounts owed to the group undertakings and parent company are unsecured, non-interest bearing and repayable on demand.

8 Share capital

	2021	2020
	£	£
Ordinary share capital		
Issued and fully paid		
42,870,000 Ordinary shares of 1p each	429,000	429,000
3,240,000 Ordinary A shares of 1p each	32,000	32,000
	461,000	461,000

There are no restrictions on the distribution of dividends and the repayment of capital.

9 Related party transactions

The Company has taken advantage of the exemption under FRS102 paragraph 33.11 (b), and has not disclosed transactions with entities that are part of Nutrius UK TOPCO Limited (the ultimate parent company), where a fellow subsidiary undertaking is a 100% subsidiary of Nutrius UK TOPCO Limited.

10 Contingent liabilities

The company is subject to cross party guarantees for bank debt due. The total amount due as at 31 December 2021, and covered by the guarantee amounted to £152,245,000.

P & D GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Related party transactions

The Company has taken advantage of the exemption under FRS102 paragraph 33.11 (b), and has not disclosed transactions with entities that are part of Nutrius UK TOPCO Limited (the ultimate parent company), where a fellow subsidiary undertaking is a 100% subsidiary of Nutrius UK TOPCO Limited.

10 Ultimate parent undertaking and controlling party

The immediate parent undertaking is Murray Bidco Limited. The ultimate parent undertaking and controlling company was Nutrius UK TOPCO Limited. All companies are incorporated in England and Wales.

At 31 December 2021 Nutrius UK TOPCO Limited was the parent of the largest group and Nutrius UK BIDCO Limited was the parent of the smallest group to consolidate these financial statements. Copies of these financial statements can be obtained from the Company secretary at the following registered address: Malvern View, Saxon Business Park, Hanbury Road, Stoke Prior, Bromsgrove, Worcestershire, B60 4AD.

The ultimate controlling party is CapVest Equity Partners III L.P. in view of their controlling interest in the share capital of Nutrius UK TOPCO Limited.

Under Section, 479C of the Companies Act 2006 related to subsidiary companies, Nutrius UK BIDCO Limited has given a statutory guarantee of all the outstanding liabilities to which the company is subject at 31 December 2021. This guarantee has been filed at Companies House.

HILLCREST CARE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Ultimate parent undertaking and controlling party

The immediate parent undertaking is OGF Bidco Limited. The ultimate parent undertaking and controlling company is Nutrius UK TOPCO Limited. All parent companies are incorporated in England and Wales.

At 31 December 2021 Nutrius UK TOPCO Limited was the parent of the largest group and Nutrius UK BIDCO Limited was the parent of the smallest group to consolidate these financial statements. Copies of these financial statements can be obtained from the Company secretary at the following registered address: Malvern View, Saxon Business Park, Hanbury Road, Stoke Prior, Bromsgrove, Worcestershire, B60 4AD.

The ultimate controlling party is CapVest Equity Partners III, L.P. in view of their controlling interest in the share capital of Nutrius UK TOPCO Limited.

Under Section, 479C of the Companies Act 2006 related to subsidiary companies, Nutrius UK BIDCO Limited has given a statutory guarantee of all the outstanding liabilities to which the company is subject at 31 December 2021. This guarantee has been filed at Companies House.