

Registration number: 11157123

AMENDING

ACG HOLDCO LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
Gloucestershire
GL50 3AT

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31/01/2022

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Revised financial statements

- These financial statements replace the original financial statements for the period ended 31 March 2021.
- These financial statements are now the statutory financial statements for the period ended 31 March 2021.
- These financial statements have been prepared as at the date of the original financial statements and not as at the date of the revision and accordingly do not deal with events between those dates.
- The original financial statements omitted the statement listing subsidiaries for which the parent company had provided a guarantee under s479A of the Companies Act 2006. These financial statements include this list on page 34.

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ACG HOLDCO LIMITED

COMPANY INFORMATION

Directors	D W Hamlett O S Harris K Lineker P G Nelson S T S Shiong
Registered Office	1 Suffolk Way Sevenoaks Kent TN13 1YL
Bankers	National Westminster Bank Plc 67 High Street Sevenoaks Kent TN13 1LA
Auditors	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

ACG HOLDCO LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The directors present their report and the consolidated financial statements for the year ended 31 March 2021.

Principal activity

The principal activity of the company is that of a non-trading holding company.

The principal activity of the group is that of the provision of support for people with complex continuing health needs.

Directors of the company

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

D W Hamlett
O S Harris
A Kinkade (resigned on 29 May 2020)
K Lineker
P G Nelson
R R Smith (appointed 25 June 2020 and resigned 26 March 2021)

S T S Shiong was appointed as a director on 6 April 2021.

Financial risk

Objectives and policies

The board constantly monitors the group's trading results and revise projections as appropriate to ensure that the group can meet its future obligations as they fall due.

Price risk, credit risk, liquidity risk and cash flow risk

The group is exposed to the usual credit and cash flow risk associated with selling on credit and manages this through credit control procedures. The nature of its financial instruments are such that they are not subject to price risk or liquidity risk.

The group's bank loans and loan stock are subject to price and liquidity risk as disclosed in note 14 to the financial statements.

In accordance with the Financial Reporting Council's 'Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009', the directors of all companies are now required to provide disclosures regarding the adoption of the going concern basis of accounting.

The group has sufficient resources available and continues to trade profitably generating positive operating cashflows. The directors have prepared forecasts for the next 12 months that indicate that these trends will continue and that these cashflows will be sufficient for the group to meet its financing commitments as they fall due. The directors therefore have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

Employment of disabled persons

The group's policy is to consider the recruitment of disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Employee involvement

The group encourages the involvement of employees in its management through regular departmental meetings. Further information has been included in the Strategic Report.

ACG HOLDCO LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

Engagement with Suppliers, Customers and Others

As part of the groups commitment to maintaining an excellent reputation and achieving high standards, the group continually engaging with its suppliers, customers and other stakeholders in their respective businesses. Engagements with suppliers are aimed at ensuring that suppliers provide quality goods and services, in a timely manner, at a cost that is fair and equitable to both parties. Engagements with our customers ensure that the group continues to provide a quality service to our customers that is value for money. It is critical that we meet the needs of our customers and ongoing engagement allows us to monitor these needs and adapt our services in a way that maintains customer satisfaction and ensures the sustainable growth of our business. Our engagement with other stakeholders includes engagement with our local communities, this is particularly relevant to our care businesses whose reputation within their respective communities remains critical to the ongoing success of the group as a whole.

Future developments

The external environment is expected to remain competitive going forwards, however, the directors remain confident that the group will continue to improve its current level of performance in the future and will continue to trade as a going concern for the reasons detailed in Note 1 to the financial statements.

Disclosure of information to the auditors

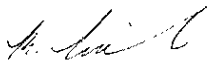
Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know which they know the auditors are unaware of.

Appointment of auditors

Hazlewoods LLP have expressed their willingness to continue in office.

30/7/2021

Approved by the board on and signed on its behalf by:



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K Lineker

ACG HOLDCO LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

The directors present their strategic report for the year ended 31 March 2021.

Overview

Active Care Group is the UK's leading national provider of complex care services, harnessing innovation to raise standards and deliver better outcomes for children, young people and adults. The Group provides progressive, personalised care pathways that combine clinical expertise, personal support, and therapeutic and rehabilitation services, in a range of different settings to meet users' evolving needs.

The Group's underlying objective is to generate value for shareholders through the provision of outstanding care to people with a range of complex needs, particularly in the areas of spinal injury, acquired brain injury and learning and/or physical disabilities. In particular, the group aims to provide a pathway for continuing care as the needs of these people change through:

- Specialised Residential care, with over 40 locations across the UK.
- Supported Living Services that provide a unique environment of support for adults requiring help to live independently in their own homes, within a community-based setting.
- Specialised Rehabilitation services to adults with neurological conditions resulting from injury, illness or disease.
- Care-in-the-home providing specialist care to individuals in their own homes.
- Nine case management companies, a neuro therapy company and a medical reporting business, forming the largest case management business in the UK.
- Specialist clinical care for people with complex respiratory ventilation requirements at the Lane Fox Remeo Respiratory Centre in Surrey.

The group is supported by a strong freehold asset base, and staff recruitment expertise provided through Jane Lewis and Medbank, both leading providers of temporary staff across the healthcare sector. It is well positioned to integrate and create value from further acquisitions that support the group's underlying objective.

Market context

The total market for adult specialist care in the UK is estimated to be in excess of £12bn per year. It is funded through Local Authorities, Clinical Commissioning Groups, and Insurance Companies. The group's range of services provides a significant addressable market and we believe continued growth to be likely due to:

- Changing demographics - clinical developments and ever advancing diagnostics have extended people's lives, increasing both the size, and average age of the population. Improving the life expectancy of those with more complex care needs has also created demand for a broader, more varied style of care service.
- Changing approach to care provision – historically, individuals with complex care needs were left within a hospital setting for a prolonged period. This is now seen as having a detrimental impact on both the individual, the efficiency of their care, and effectiveness of the hospital. The Group aims to work closely with trauma units and other medical professionals to provide long-term ongoing care within the community whenever possible. This ensures that tailored care pathways work in the best interest of each individual's care needs.

ACG HOLDCO LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

Key risks and uncertainties

We believe that the Group is well placed to manage risks relative to many other companies in the sector due to:

- Its strong freehold asset base
- The breadth of both the care services that can be provided and the means through which this can be done
- Its in-house recruitment expertise

Residual risks and uncertainties relate primarily to funding and to the ability to recruit sufficient appropriate staff to provide care.

- Overall, UK government spending remains subject to tight control. Whilst budget cuts are announced in other areas, an increase in demand for UK adult social care continues to be reflected in spending decisions.
- We believe that the key means of delivery of care must inevitably remain through the private sector due to the long-standing structures and relationships built up over many years.
- We also believe that the political importance of the sector means that the government will ensure that providers retain access to a supply of labour from outside the UK.
- Throughout the financial year, the global pandemic of COVID-19 provided an element of uncertainty to all business, however the demands of the healthcare sector have not changed as a result of this situation and government departments continue to ensure financial support to ensure ongoing service provision for the many individuals in our care.

Performance in the year

The results for the year, which are set out in the profit and loss account, show an operating profit before amortisation, depreciation and exceptional costs of £22,521,000 (2020: £19,757,000).

This reflects the full year performance of acquisitions made in the prior year, predominately The Christchurch Group which was acquired in December 2019. At 31 March 2021, the group had tangible fixed assets, intangible fixed assets and investments of £255,912,000 (2020: £266,905,000). The directors consider the results for the year and the financial position of the group at the year-end to be satisfactory. In addition to financial measures the Key Performance Indicators measured by the Group include:

- Occupancy for Residential Services
- Hours of care provided through Care-in-the-home services
- Chargeable hours through Case Management
- Hours of agency workers provided by the Staffing Solutions companies

The Directors are satisfied with the position of these indicators at the end of the financial year and believe that the prospects for the Group are positive.

Carbon Reporting Statement

The table below shows the energy usage for the group for the year to 31 March 2021, and the related carbon emissions. This includes electricity and gas usage as stated on utility invoices received and vehicle travel usage as gauged by employee travel claims for mileage costs. The conversion from kWh to CO₂e has been undertaken using calculations available from the National Energy Foundation. Overall, for the year, the total energy consumption was 7,262,559 (2020: 5,433,327) kWh which translates to a total gross emission of 1,654,837 (2020: 1,234,091) metric tonnes of CO₂ emissions. This is the equivalent of 730.48 (2020: 608.50) tonnes CO₂e per service user across the group.

ACG HOLDCO LIMITED**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

UK Greenhouse gas emissions and energy use data for the period 1 April 2020 to 31 March 2021		
	2020/21	2019/20
Energy consumption used to calculate emissions (kWh)	7,262,559	5,433,327
Scope 1 emissions in metric tonnes CO ₂ e		
Gas consumption	943,127	636,406
Scope 2 emissions in metric tonnes CO ₂ e		
Purchased electricity	623,306	387,799
Scope 3 emissions in metric tonnes CO ₂ e		
Business travel in employee owned vehicles	88,404	209,886
Total gross emissions in metric tonnes CO ₂ e	1,654,837	1,234,091
Intensity ratio Tonnes CO ₂ e per service user	730.48	608.50

Total energy consumption during the year has increased by 1,829,232 kWh being a 33.7% increase on last year. This is mostly due to the full year inclusion of the Christchurch Group, whose users on average consume a higher amount of energy due to their specific needs. This has been offset slightly by decreases in other divisions due to lower energy consumption during the period of COVID-19 restrictions.

During the financial year to 31 March 2021, the group reviewed its energy consumption to assess whether there were any material energy savings opportunities within our buildings (both offices and residential services), or within our travel arrangements for employees. Whilst some savings were identified this is estimated to total 975,300 kWh being 13.4% of the current years' consumption. Some recommendations have already been implemented and the Group will continue to make such improvements where possible.

There is no separate reporting for ACG Holdco Limited on an individual company basis as the energy consumption within the company is below the reportable threshold of 40,000 kWh.

Section 172 statement

The Directors believe that they have effectively implemented their duties under section 172 of the Companies Act 2006. The Directors have considered the long-term strategy of the of the Group to generate value for shareholders by providing, progressive, personalised care pathways that combine clinical expertise, personal support, and therapeutic and rehabilitation services and consider that this strategy will continue to deliver long term success to the Group and its stakeholders.

The Directors recognise the importance of wider stakeholders in delivering their strategy and achieving sustainability within the Group. The main stakeholders in the Group are considered to be the shareholders, employees, suppliers and customers. Their importance to the business is considered below.

The Groups core businesses are summarised into residential care, care in the home services, case management and recruitment. While each area of the Group's business has its own specific areas of focus, the importance of each of the stakeholders across the Group is not diminished in any of the given areas of business.

The Group is committed to maintaining an excellent reputation and strives to achieve high standards. Our relationships with our suppliers, employees and customers are all interlinked in that by treating our suppliers fairly and having the right suppliers ensures that our staff are able to operate in a conducive environment while ensuring customers' needs are met. By ensuring that we have the correct suppliers supplying the right quality of goods or services, coupled with quality staff working in optimal environments, we can ensure that service offered to our customers is of a high quality and standard resulting in continued support in each of our core businesses. Each of these combined ultimately aims to result in a sustainable business and continued return for our shareholders.

The Group is regulated by the Care Quality Commission (CQC) who perform inspections at least once every 5 years however, the CQC could inspect any provider at any point in time irrespective of rating and inspections are

ACG HOLDCO LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

almost always unannounced. In order to maintain acceptable levels and standards of care, we continually monitor our care levels in order to ensure that we maintain a high level of service and care at all times. During the year, our inspection reports for certain of our services indicated that improvements were required which has resulted in changes being made and action being taken in order to rectify any shortcomings in the quality of our service and care.

In ensuring that all our stakeholders are considered as part of every decision process we believe we act fairly between all members of the Group.

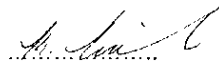
Employee involvement

Our staff are treated with respect and dignity. Clear objectives are set for staff in terms of performance and in order to facility performance, the Group ensure that that our staff are able to work in an environment that is conducive to achieving those goals in a way that is fair and equitable.

The group encourages the involvement of employees in its management through regular departmental meetings thus ensuring that meaningful change occurs at a localised level depending on the needs of employees and the business. It is at these meetings where employees are made aware of any changes to the business which may impact on the employees or their working environment.

30/7/2021

Approved by the board on and signed on its behalf by:



K Lineker
Director

ACG HOLDCO LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report, Strategic 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 affairs of the group and of the company and of the profit or loss of the group for that year. In preparing these financial statements, the directors are required to:

- *select suitable accounting policies and apply them consistently;*
- *make judgements and accounting estimates that are reasonable and prudent;*
- *state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ACG HOLDCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACG HOLDCO LIMITED

Opinion

We have audited the financial statements of ACG Holdco Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021, which comprise the Consolidated Profit and Loss Account, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2021 and of the group's loss 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 group 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a year of at least twelve months from the date when the financial statements are authorised for issue.

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 have been prepared in accordance with applicable legal requirements.

ACG HOLDCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACG HOLDCO LIMITED

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and 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 parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent 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 Statement of Directors' Responsibilities set out on page 6, 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

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.

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

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

Owing to the inherent limitations of an audit, there is unavoidable risk that material misstatements in the financial Statements may not be detected, even though the audit is properly planned and performed in accordance with the ISA's (UK). In identifying and assessing risks of material misstatement in respect of fraud, including irregularities and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the company financial statements or that had a fundamental effect on the company's operations. We determined that the most significant laws and regulations included UK GAAP, UK Companies Act 2006 and taxation laws.
- We understood how the company is complying with those legal and regulatory frameworks by making inquiries of management, those responsible for legal and compliance procedures.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process. Detailed analysis of journals posted through the accounting system during the year to 31 March 2021 has been undertaken;
 - Understanding the controls in place to prevent and detect fraud. Reliance was not placed on controls for the entirety of the audit, instead taking a substantive testing approach, however controls were in place to prevent fraud, and they appeared to be working effectively;
 - Challenging assumptions and judgements made by management in its significant accounting estimates.

ACG HOLDCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACG HOLDCO LIMITED

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.

Martin Howard

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Martin Howard (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House
Bayshill Road
Cheltenham
GL50 3AT

30/7/2021

Date:.....

ACG HOLDCO LIMITED
(Registration number: 11157123)

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Note	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Turnover	3	122,084	107,690
Cost of sales		(70,750)	(65,743)
Gross profit		51,334	41,947
Administrative expenses		(28,813)	(22,190)
Operating profit before amortisation, depreciation and exceptional costs		22,521	19,757
Amortisation of intangible fixed assets	10	(8,837)	(8,399)
Depreciation of tangible assets	11	(4,629)	(2,950)
Exceptional costs	4	(3,055)	(2,281)
Group operating profit	5	6,000	6,127
Interest receivable and similar income		-	-
Interest payable and similar charges	8	(37,235)	(27,741)
Loss on ordinary activities before taxation		(31,235)	(21,614)
Tax on ordinary activities	9	(1,075)	(1,991)
Loss for the financial year		(32,310)	(23,605)

The above results were derived from continuing operations.

The notes from page 18 onwards form an integral part of these financial statements.

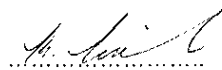
ACG HOLDCO LIMITED
(Registration number: 11157123)

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

	Note	31 March 2021 £000	31 March 2020 £000
Fixed assets			
Intangible fixed assets	10	151,724	160,500
Tangible fixed assets	11	104,188	106,405
		<u>255,912</u>	<u>266,905</u>
Current assets			
Debtors: Less than 12 months	12	29,897	23,186
Debtors: More than 12 months	12	19,852	-
Cash at bank and in hand		6,278	6,822
		<u>56,027</u>	<u>30,008</u>
Creditors: Amounts falling due within one year	13	(21,537)	(16,459)
Net current liabilities		<u>34,490</u>	<u>13,549</u>
Total assets less current liabilities		<u>290,402</u>	<u>280,454</u>
Creditors: Amounts falling due after more than one year	13	389,295	346,934
Provisions for deferred tax liabilities	15	5,061	5,164
Capital and reserves			
Called up share capital	16	13	13
Share premium reserve		934	934
Merger reserve		(31,393)	(31,393)
Profit and loss account		(73,508)	(41,198)
		<u>(103,954)</u>	<u>(71,644)</u>
Total capital, reserves and long term liabilities		<u>290,402</u>	<u>280,454</u>

30/7/2021

Approved by the board and authorised for issue on and signed on its behalf by:



 K Lineker
 Director

The notes from page 18 onwards form an integral part of these financial statements.

ACG HOLDCO LIMITED
(Registration number: 11157123)

BALANCE SHEET
AS AT 31 MARCH 2021

		31 March 2021 £000	31 March 2020 £000
Fixed assets			
Investments	22	-	-
		<hr/>	<hr/>
		-	-
Current assets			
Debtors: amounts falling due within one year	12	-	18
Debtors: amounts falling due after more than one year	12	243,058	227,275
Cash at bank and in hand		103	956
		<hr/>	<hr/>
		243,161	228,249
 Creditors: Amounts falling due within one year	 13	 -	 (64)
		<hr/>	<hr/>
Net current assets		243,161	228,185
		<hr/>	<hr/>
Total assets less current liabilities		243,161	228,185
		<hr/>	<hr/>
Creditors: Amounts falling due after more than one year	13	252,516	230,822
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	16	13	13
Share premium reserve		934	934
Profit and loss account		(10,302)	(3,584)
		<hr/>	<hr/>
Equity attributable to owners of the company		(9,355)	(2,637)
		<hr/>	<hr/>
Total capital, reserves and long term liabilities		243,161	228,185
		<hr/>	<hr/>

30/7/2021

Approved by the board and authorised for issue on and signed on its behalf by:



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K Lineker
Director

The notes from page 18 onwards form an integral part of these financial statements.

ACG HOLDCO LIMITED**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021**

	Share capital £000	Share premium £000	Retained earnings £000	Merger reserve £000	Total £000
At 1 April 2020	13	934	(41,198)	(31,393)	(71,644)
Loss for the year and total comprehensive income	-	-	(32,310)	-	(32,310)
Balance at 31 March 2021	13	934	(73,508)	(31,393)	(103,954)
	Share capital £000	Share premium £000	Retained earnings £000	Merger reserve £000	Total £000
Balance at 1 April 2019	18	990	(17,593)	-	(16,585)
Loss for the year and total comprehensive income	-	-	(23,605)	-	(23,605)
Arising on share for share exchange	-	-	-	(31,393)	(31,393)
Total comprehensive income	18	990	(41,198)	(31,393)	(71,583)
Cancellation of shares	(5)	(45)	-	-	(50)
Share issue costs	-	(11)	-	-	(11)
Balance at 31 March 2020	13	934	(41,198)	(31,393)	(71,644)

The notes from page 18 onwards form an integral part of these financial statements.

ACG HOLDCO LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021**

	Share capital £000	Share premium £000	Retained earnings £000	Total £000
Balance at 1 April 2020	13	934	(3,584)	(2,637)
Loss for the year and total comprehensive income	-	-	(6,718)	(6,718)
Balance at 31 March 2021	13	934	(10,302)	(9,355)

	Share capital £000	Share premium £000	Retained earnings £000	Total £000
Balance at 1 April 2019	18	990	(1,502)	(494)
Loss for the year and total comprehensive income	-	-	(2,082)	(2,082)
	18	990	(3,584)	(2,576)
Cancellation of shares	(5)	(45)	-	(50)
Share issue costs	-	(11)	-	(11)
Balance at 31 March 2020	13	934	(3,584)	(2,637)

The notes from page 18 onwards form an integral part of these financial statements.

ACG HOLDCO LIMITED
(Registration number: 11157123)

CONSOLIDATED CASH FLOW STATEMENT
AS AT 31 MARCH 2021

	Note	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Cash flows from operating activities			
Loss for the year		(32,310)	(23,605)
Depreciation and amortisation	10, 11	13,466	11,349
Loss on disposal of fixed assets		-	-
Net finance costs	8	37,235	27,741
Corporation tax expense	9	1,075	1,991
		<hr/>	<hr/>
		19,466	17,476
Increase in trade and other receivables		(6,711)	(5,162)
Increase in trade and other payables		<hr/> 6,660	<hr/> (2,554)
		<hr/>	<hr/>
		19,415	9,760
Income taxes paid		<hr/> (2,181)	<hr/> (1,208)
		<hr/>	<hr/>
Net cash flow from operating activities		<hr/> 17,234	<hr/> 8,552
Cash flows from investing activities			
Acquisition of subsidiaries (net of cash received)		(570)	(5,984)
Proceeds from sale of property, plant and equipment		24	24
Acquisitions of property plant and equipment	11	(2,438)	(8,419)
		<hr/>	<hr/>
		(2,984)	(14,379)
Cash flows from financing activities			
Interest and other finance costs paid		(14,874)	(12,026)
Net receipts from ordinary shares issued/cancelled		-	950
Share issue costs paid		-	(11)
Loans advanced		20,000	-
Repayment of loans		-	(51,499)
Issue of preference shares classed as debt		-	69,602
Movement on amounts owed by parent undertaking		(19,852)	-
Repayment of capital element of finance leases and HP contracts		(68)	(26)
		<hr/>	<hr/>
Net cash flows from financing activities		<hr/> (14,794)	<hr/> 6,990
		<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents		(544)	1,163
Cash and cash equivalent at 1 April		<hr/> 6,822	<hr/> 5,659
		<hr/>	<hr/>
Cash and cash equivalents at 31 March		<hr/> 6,278	<hr/> 6,822

ACG HOLDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1 General information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

2nd Floor
1 Suffolk Way
Sevenoaks
Kent
TN13 1YL

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

Statement of compliance

The consolidated financial statements of ACG Holdco Limited have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, and the Companies Act 2006.

Basis of preparation

The financial statements have been prepared under the historical cost convention except for, where disclosed in these accounting policies, certain items are shown at fair value.

The presentational currency of the financial statements is Pound Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 March 2021.

A subsidiary is an entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the period are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full. Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

On 14 December 2019, Prism Holdco Limited, the ultimate parent of Prism Bidco Limited, was not part of the Group but was owned by the same shareholders as those of ACG Holdco Limited. On 2 March 2020, the Group acquired Prism Holdco Limited by way of a share-for-share exchange (some of which were preference shares classified as debt). As this was a transaction that did not change the interests and rights of the ultimate shareholder, it has been accounted for as a group reconstruction in accordance with FRS 102. As a result, merger accounting has been applied and goodwill included in the consolidated accounts represents the goodwill as acquired by Prism Bidco Limited on 14 December 2019. The difference between the value of preference shares issued by ACG Holdco Limited and those in Prism Holdco Limited has been reflected in a merger reserve.

ACG HOLDCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021****Going concern**

After reviewing the group's forecasts and projections, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group and company therefore continues to adopt the going concern basis in preparing its financial statements. In arriving at this conclusion, the directors have considered the impacts of COVID-19, which has had a relatively low impact on the business to date.

Parent company profit and loss account

The company has taken advantage of the provisions of the Companies Act 2006 and has not presented a profit and loss account. The company recorded a loss for the year of £6,718,000 (year ended 31 March 2020 : £2,082,000).

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for the provision of care services. When the consideration receivable in cash or cash equivalents is deferred, and the arrangement constitutes in effect a financing transaction, the fair value of the consideration is measured as the present value of all future receipts determined using an imputed rate of interest, normally the rate that discounts the nominal amount of consideration to the cash sales price.

The group recognises revenue when the amount of revenue can be measured reliably, when it is probable that future economic benefits will flow to the entity. Where the amount received relates to a period which covers the balance sheet date, it is apportioned over the period to which it relates.

Interest income

Interest income is recognised using the effective interest method.

Intangible fixed assets

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the group's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill recognised at acquisition is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis over its useful life, which is estimated to be twenty years.

Tangible assets

Tangible assets are carried at cost less accumulated depreciation and accumulated impairment losses.

Depreciation on assets is calculated so as to write off the cost of an asset, less its residual value, over their estimated useful lives as follows:

Land	Nil
Freehold property	50 years straight line
Furniture and fittings	5 years straight line
Motor vehicles	3 years straight line
Office equipment	3 years straight line

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in comprehensive income, and included in other operating income.

Cash and cash equivalents

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

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All debtors are repayable within one year and are hence included at the undiscounted amount of the cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

ACG HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the group is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial assets or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, and impairment loss is recognised in profit or loss as described below.

A non-financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

ACG HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases are classified as finance leases when they transfer substantially all the risks and rewards of ownership of the leased assets to the group. Other leases that do not transfer substantially all the risks and rewards of ownership of the leased assets to the group are classified as operating leases.

Provisions

Provisions are recognised when the group has a legal or constructive obligation at the reporting date as a result of a past event, it is probable that the group will be required to settle the obligation and the amount of the obligation can be reliably estimated.

Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Income Tax

Taxation expense represents the aggregate amount of current tax and deferred tax recognised in the reporting period.

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior years.

A deferred tax asset or liability is recognised for tax recoverable or payable in future periods in respect of transactions and events recognised in the financial statements of current and previous periods.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. Timing differences result from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date apart from certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing differences. Deferred tax relating to land and investment properties that is measured at fair value is measured using the tax rates and allowances that apply to the sale of the asset.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Employee benefits

Short-term employee benefits

Short-term employee benefits are recognised as an expense in the period in which they are incurred.

Post-employment defined contribution plans

Amounts in respect of defined contribution plans are recognised as an expense as they are incurred.

Termination benefits

Provisions for termination benefits are recognised only when the group is demonstrably committed to terminate the employment of an employee or of a group of employees before their normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

ACG HOLDCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021****Judgements and key sources of estimation uncertainty**

Goodwill is amortised over twenty years, being the finite period over which the directors consider that this asset will enhance the value of the tangible net assets acquired.

No other significant judgements have had to be made by management in preparing these financial statements.

3 Turnover

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the UK.

4 Exceptional items

	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Transaction related costs	-	427
Covid-19 related exceptional costs	713	-
Restructuring costs	1,511	1,053
Other exceptional costs	831	801
	<u>3,055</u>	<u>2,281</u>

Other exceptional costs above includes items such as one-off projects, consultancy costs and contract termination costs.

5 Operating profit

	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Operating profit is stated after charging:		
Amortisation	8,837	8,399
Depreciation	4,629	2,950
Auditors' remuneration – audit services	75	109
Auditors' remuneration – non-audit services	114	131

Non-audit services above represent £61,000 (2020: £70,000) in relation to accounting services and £53,000 (2020: £61,000) in relation to taxation services.

Auditors' remuneration for the company was £1,000 (2020: £2,000) for audit services and £2,000 (2020: £9,000) for non-audit services.

ACG HOLDCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021****6 Staff costs****Group**

The aggregate employee benefit expenses were as follows:

	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Wages and salaries	70,377	60,190
Social security costs	5,785	4,221
Expense of defined contribution pension scheme	1,665	1,297
	<u>77,827</u>	<u>65,708</u>

The average number of persons employed by the group (including directors) during the year was as follows:

	2021 No.	2020 No.
Average staff numbers	<u>3,704</u>	<u>3,462</u>

Company

No staff costs were incurred in the company in the period (2020: £Nil) and the average staff numbers in the period were 5 (2020: 5).

ACG HOLDCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021****7 Directors' remuneration****Group**

The directors' remuneration for the year was as follows:

	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Remuneration (including benefits in kind)	822	783
Contributions paid to money purchase schemes	7	7
	<hr/> 829	<hr/> 790

The amount paid in respect of the highest paid director was £302,000, including £1,000 of pension contributions.

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2021 No.	2020 No.
Accruing benefits under money purchase pension scheme	<hr/> 3	<hr/> 5

Company

The directors received no remuneration from the company in the period (2020: £Nil).

8 Interest payable and similar charges

	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Interest on hire purchase liabilities	-	1
Finance charges adjacent to interest	4,282	2,085
Bank loan interest	8,259	10,573
Interest on preference shares	<hr/> 24,694	<hr/> 15,082
	<hr/> 37,235	<hr/> 27,741

ACG HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9 Taxation

	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Current tax:		
UK corporation tax	1,178	1,325
Adjustment for prior periods	-	(107)
	<u>1,178</u>	<u>1,218</u>
Deferred tax		
Origination and reversal of timing differences	(103)	151
Effect of change in tax rate	-	622
	<u>1,075</u>	<u>1,991</u>

Tax on profit on ordinary activities for the year is higher than the standard rate of corporate tax in the UK of 19% (2020: 19%).

The differences are reconciled below:

	2021 £000	2020 £000
Loss on ordinary activities before taxation	(31,235)	(21,614)
Corporation tax at standard rate	<u>(5,935)</u>	<u>(4,107)</u>
Non-deductible expenses (predominantly disallowable interest)	4,822	3,297
Depreciation and amortisation in excess of capital allowances	2,233	2,119
Other timing differences	-	22
Effect of change in tax rate	-	622
Carry forward /(utilisation) of tax losses	(45)	145
Adjustment for prior periods	-	(107)
Total current tax	<u>1,075</u>	<u>1,991</u>

ACG HOLDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

10 Intangible fixed assets

	Goodwill £000
Cost	
At 1 April 2020	176,677
Adjustments to consideration on prior year acquisitions	61
	<u>176,738</u>
Amortisation	
At 1 April 2020	16,177
Charge for the year	8,837
	<u>25,014</u>
Net book value	
At 31 March 2021	<u>151,724</u>
At 31 March 2020	<u>160,500</u>

ACG HOLDCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021****11 Tangible assets**

	Land and buildings	Furniture, fittings & equipment	Motor vehicles	Total
	£000	£000	£000	£000
Cost				
At 1 April 2020	101,022	7,932	728	109,682
Additions	565	1,848	23	2,436
Disposals	(2)	(3)	(125)	(130)
At 31 March 2021	101,585	9,777	626	111,988
Depreciation				
At 1 April 2020	1,827	1,108	342	3,277
Charge for the year	2,981	1,454	194	4,629
Disposals	-	(1)	(105)	(106)
At 31 March 2021	4,808	2,561	431	7,800
Net book value				
At 31 March 2021	96,777	7,216	195	104,188
At 31 March 2020	99,195	6,824	386	106,405

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts.

	2021 £000	2020 £000
Motor vehicles	-	64

ACG HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12 Debtors

Due within one year	Group 2021 £000	Company 2021 £000	Group 2020 £000	Company 2020 £000
Trade debtors	25,648	-	18,906	-
Amounts owed by group undertakings	19,852	243,058	-	227,275
Other debtors	472	-	631	-
Prepayments and accrued income	3,777	-	3,649	18
	<u>49,749</u>	<u>243,058</u>	<u>23,186</u>	<u>227,293</u>
Amounts due after more than one year	(19,852)	(243,058)	-	(227,275)
	<u>29,897</u>	<u>-</u>	<u>23,186</u>	<u>18</u>

Amounts due after more than one year above represent amounts owed by group undertakings.

13 Creditors

Due within one year	Note	Group 2021 £000	Company 2021 £000	Group 2020 £000	Company 2020 £000
Loans and borrowings	14	-	-	68	-
Trade creditors		1,955	-	1,998	1
Corporation tax		191	-	1,194	63
Other taxes and social security costs		2,000	-	3,313	-
Group undertakings		-	-	-	-
Accruals and other creditors		17,391	-	9,886	-
		<u>21,537</u>	<u>-</u>	<u>16,459</u>	<u>64</u>
Due after one year					
Loans and borrowings	14	389,295	252,516	346,934	230,822

ACG HOLDCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021****14 Loans and borrowings**

	Group 2021 £000	Company 2021 £000	Group 2020 £000	Company 2020 £000
Current loans and borrowings				
Hire purchase liabilities	-	-	68	-
Non-current loans and borrowings				
Preference shares	252,516	252,516	230,822	230,822
Bank loan	136,779	-	116,112	-
	<u>389,295</u>	<u>252,516</u>	<u>346,934</u>	<u>230,822</u>

The bank loan is payable after a period of seven years, carries interest at various rates that are variable depending on the group's performance, and is secured by a fixed and floating charge over the assets of the group. The bank loan above represents a gross amount of £140,000,000 (2020: £120,000,000) less unamortised debt costs of £3,221,000 (2020: £3,888,000).

Preference shares classified as debt

	Group and Company 2021		Group 2020	
	No	£	No	£
Preference shares of £0.00001 each	197,973,573	1,980	197,973,573	1,980
Preference M shares of £0.00001 each	7,352,147	74	7,352,147	74
	<u>205,325,720</u>	<u>2,054</u>	<u>205,325,720</u>	<u>2,054</u>

The preference shares and preference M shares are unsecured and carry an 11% and 1% annual cumulative dividend respectively (calculated by reference to the issue price of £1 each), which is payable on redemption of the shares. The shares can be redeemed at the option of the holders on the sale or flotation of the company. The preference shares above represent initial face value of £205,326,000 (2020: £205,326,000) plus accrued dividends of £47,190,000 (2020: £25,496,000).

15 Provision for deferred tax liabilities

	2021 £000	2020 £000
At 1 April 2020	5,164	4,795
Acquired with subsidiaries	-	(404)
(Credit)/charge for the year	(103)	773
	<u>5,061</u>	<u>5,164</u>
At 31 March 2021	5,061	5,164

Deferred tax above relates to gains on revalued properties of £5,061,000 (2020: £5,392,000) and other timing differences of £Nil (2020: £228,000).

ACG HOLDCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021****16 Share capital**

	Group and Company 2021		Group and Company 2020	
	No	£	No	£
Ordinary shares – A of 0.1p each	702,000	702	702,000	702
Ordinary shares – B1 of 10p each	92,077	9,208	123,281	12,328
Ordinary Shares – B2 of 0.1p each	94,645	95	126,719	127
Ordinary shares – C of 0.1p each	48,000	48	48,000	48
Deferred shares – B1 of 10p each	31,204	3,120	-	-
Deferred shares – B2 of 0.1p each	32,074	32	-	-
	<u>1,000,000</u>	<u>13,205</u>	<u>1,000,000</u>	<u>13,205</u>

All shares rank *pari passu*, except that the B1 and B2 deferred shares do not carry voting rights.

On 5 February 2021 31,204 B1 ordinary shares were redesignated as B1 deferred shares, and 32,074 B2 ordinary shares were redesignated as B2 deferred shares.

17 Pension schemes**Defined contribution pension scheme**

The group operates a defined contribution pension scheme. The pension cost charge for the year represented contributions payable by the group to the scheme and amounted to £1,665,000 (year ended 31 March 2020: £1,297,000).

Contributions totalling £424,000 (2020: £415,000) were payable to the scheme at the end of the year and are included in creditors.

18 Related party transactions**Group****Key management personnel**

The directors, whose remuneration is disclosed in note 7, are considered to be the key management of the group.

Summary of transactions with parent

Refer to note 12 and 13 for related party balances owed in relation to group undertakings.

The preference share dividend cost disclosed in note 8 is ultimately payable to the group's controlling party.

During the year the Group paid monitoring fees of £150,000 (2020: £150,000) to its ultimate controlling party.

ACG HOLDCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021****19 Financial commitments****Finance leases**

The total of future minimum lease payments is as follows:

	2021 £000	2020 £000
Not later than one year	-	68
Later than one year and not later than five years	-	-
	<hr/>	<hr/>
	-	68
	<hr/>	<hr/>

Operating Leases

The total of future minimum lease payments is as follows:

	2021 £000	2020 £000
Not later than one year	730	1,470
Later than one year and not later than five years	1,102	865
Later than five years	118	37
	<hr/>	<hr/>
	1,950	2,372
	<hr/>	<hr/>

Financial guarantee contracts**Company**

The company is bound by an intra-group cross guarantee in respect of bank debt with other members of the group. The amount guaranteed is £140,000,000 (2020: £120,000,000).

20 Control

The ultimate controlling party is Montreux Healthcare Fund, a registered investment fund in the Isle of Man.

On 6 February 2021 the Company was acquired by Ruby Holdco Limited, a company registered in England and Wales, predominately via a share-for-share exchange mechanism. The ultimate controlling party remained unchanged.

ACG HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

21 Net debt

	At 1 April 2020 £000	Arising on acquisitions £000	Non-cash £000	Cash flows £000	At 31 March 2021 £000
Bank loan	(116,112)	-	(3,912)	(16,755)*	(136,779)
Preference shares	(230,822)	-	(24,694)	3,000	(252,516)
Parent undertaking	-	-	-	19,852	19,852
Hire purchase liabilities	(68)	-	-	68	-
	(347,002)	-	(28,606)	6,165	(369,443)
Cash at bank and in hand	6,822	-	-	(544)	6,278
Net debt	(340,180)	-	(28,606)	5,621	(363,165)
	At 1 April 2019 £000	Arising on acquisitions £000	Non-cash £000	Cash flows £000	At 31 March 2020 £000
Bank loan	(115,479)	-	(633)	-	(116,112)
Preference shares	(104,944)	-	(56,276)	(69,602)	(230,822)
Convertible loan note	(8,800)	-	8,800	-	-
Hire purchase liabilities	-	(33,499)	-	33,499	-
Loan notes	(94)	-	-	26	(68)
	(18,000)	-	-	18,000	-
	(247,317)	(33,499)	(48,109)	(18,077)	(347,002)
Cash at bank and in hand	5,659	6,027	-	(4,864)	6,822
Net debt	(241,658)	(27,472)	(48,109)	(22,941)	(340,180)

*= Amount is made up of £20,000,000 loan advance less debt costs of £3,245,000.

ACG HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

22 List of companies

Investments - Company

Company
2021

Cost and carrying value

£

At 1 April 2020 and at 31 March 2021

1

Subsidiary undertakings	Country of incorporation	Class	2021 Shares held %	2020 Shares held %
ACG Midco Limited ¹	England and Wales	Ordinary	100	100
ACG Bidco Limited ¹	England and Wales	Ordinary	100	100
Active Assistance (UK) Group Limited ¹	England and Wales	Ordinary	100	100
MyLife Supported Living Limited ³	England and Wales	Ordinary	100	100
Willowmead Property Limited ³	England and Wales	Ordinary	100	100
MyHome North Limited ⁷	England and Wales	Ordinary	100	100
Supported Living (UK) Limited ³	England and Wales	Ordinary	100	100
Active Assistance Finance Limited ¹	England and Wales	Ordinary	100	100
Active Assistance Limited ¹	England and Wales	Ordinary	100	100
Staff Management Limited ²	England and Wales	Ordinary	100	100
Communicare (GB) Limited ⁷	England and Wales	Ordinary	100	100
Multihealth Limited ¹	England and Wales	Ordinary	100	100
1st Care Nursing Limited ⁷	England and Wales	Ordinary	100	100
Caring 4 U (UK) Limited ⁷	England and Wales	Ordinary	100	100
Active Assistance Care Services Limited ⁷	England and Wales	Ordinary	100	100
Kingly Care Partnership Limited ³	England and Wales	Ordinary	100	100
Neural Pathways (UK) Limited ⁷	England and Wales	Ordinary	100	100
NE Lifestyles Limited ⁷	England and Wales	Ordinary	100	100
Titleworth Neuro Limited ³	England and Wales	Ordinary	100	100
Tania Brown Limited ⁴	England and Wales	Ordinary	100	100
J S Parker Limited ⁴	England and Wales	Ordinary	100	100
Care and Case Management Services Limited ⁴	England and Wales	Ordinary	100	100
Westcountry Case Management Limited ⁴	England and Wales	Ordinary	100	100
Brownbill Associates Limited ⁴	England and Wales	Ordinary	100	100
Rehab Without Walls Limited ⁴	England and Wales	Ordinary	100	100
Anglia Case Management Holdings Limited ¹	England and Wales	Ordinary	100	100
Anglia Case Management Limited ⁴	England and Wales	Ordinary	100	100
Pegasus Medical Limited ⁴	England and Wales	Ordinary	100	100
Northern Case Management Limited ⁴	England and Wales	Ordinary	100	100
John-Edwards Care Homes Limited ³	England and Wales	Ordinary	100	100
Chester Healthcare Limited ⁵	England and Wales	Ordinary	100	100
Chester Professional Services Limited ⁵	England and Wales	Ordinary	100	100
Independence Homes Limited ³	England and Wales	Ordinary	100	100
Michaelhannah Limited ⁶	England and Wales	Ordinary	100	100
Remeo Healthcare Limited ³	England and Wales	Ordinary	100	100
Remeo Property Limited ³	England and Wales	Ordinary	100	100
Medbank Healthcare Solutions Limited ⁵	England and Wales	Ordinary	100	100
AJ Case Management Limited ³	England and Wales	Ordinary	100	100
AJ Specialist Recruitment Limited ⁵	England and Wales	Ordinary	100	100

ACG HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Subsidiary undertakings	Country of incorporation	Class	2021	2020
			Shares held %	Shares held %
Prism Holdco Limited ¹	England and Wales	Ordinary / preference	100	100
Prism Midco Limited ¹	England and Wales	Ordinary	100	100
Prism Bidco Limited ¹	England and Wales	Ordinary	100	100
Hamsard 3232 Limited ¹	England and Wales	Ordinary	100	100
Hamsard 3267 Limited ³	England and Wales	Ordinary	100	100
Christchurch Court Holdings Limited ¹	England and Wales	Ordinary	100	100
Christchurch Court (UK) Limited ¹	England and Wales	Ordinary	100	100
Christchurch Court Limited ³	England and Wales	Ordinary	100	100
Hunters Moor 928 Limited ¹	England and Wales	Ordinary	100	100
Hunters Moor 929 Limited ³	England and Wales	Ordinary	100	100
Hunters Moor 930 Limited ¹	England and Wales	Ordinary	100	100
Hunters Moor Residential Limited ¹	England and Wales	Ordinary	100	100
Hunters Moor Residential Services Limited ³	England and Wales	Ordinary	100	100
Hunters Moor Residential Property Limited ¹	England and Wales	Ordinary	100	100
Nugo Care Limited ⁶	England and Wales	Ordinary	100	100
Glocare Limited ⁶	England and Wales	Ordinary	100	100
Bethany Lodge Kent Limited ³	England and Wales	Ordinary	100	100

The principal activity of the companies listed above is that of:

¹ holding companies and intermediate holding companies

² provision of complex care in the home services

³ residential care services

⁴ case management services

⁵ specialist carer recruitment services

⁶ property holding companies

⁷ dormant / non-trading companies

The registered office for all companies is 2nd Floor, 1 Suffolk Way, Sevenoaks, Kent TN13 1YL.

The only subsidiary directly held by the Company is ACG Midco Limited.

The company has granted a guarantee in respect of the following companies to allow them to claim exemption from audit under section 479A of the Companies Act 2006:

1 st Care Nursing Limited	Hunters Moor Residential Services Limited
Active Assistance Care Services Limited	J S Parker Limited
AJ Case Management Limited	John-Edwards Care Homes Limited
AJ Specialist Recruitment Limited	Medbank Healthcare Solutions Limited
Anglia Case Management Holdings Limited	Michaelhannah Limited
Anglia Case Management Limited	Mulithealth Limited
Bethany Lodge Kent Limited	MyHome North Limited
Brownbill Associates Limited	MyLife Supported Living Limited
Care and Case Management Services Limited	NE Lifestyles Limited
Caring 4 U (UK) Limited	Neural Pathways (UK) Limited
Chester Healthcare Limited	Northern Case Management Limited
Chester Professional Services Limited	Nugo Care Limited
Christchurch Court (UK) Limited	Pegasus Medical Limited
Christchurch Court Holdings Limited	Prism Bidco Limited
Christchurch Court Limited	Prism Holdco Limited
Communicare GB Limited	Prism Midco Limited
Glocare Limited	Rehab Without Walls Limited
Hamsard 3232 Limited	Remeo Healthcare Limited
Hamsard 3267 Limited	Remeo Property Limited
Hunters Moor 928 Limited	Supported Living (UK) Limited
Hunters Moor 929 Limited	Tania Brown Limited
Hunters Moor 930 Limited	Titfworth Neuro Limited
Hunters Moor Residential Limited	Westcountry Case Management Limited
Hunters Moor Residential Property Limited	Willowmead Property Limited