

CARING BRANDS EUROPE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

REGISTERED NUMBER 08670484



CARING BRANDS EUROPE LIMITED

COMPANY INFORMATION

Directors	P D Tarsey (resigned 29 May 2019) Y E Reynolds (appointed 23 October 2018) L P Kraska (resigned 28 September 2018) D M Waltzer (appointed 20 September 2018 & resigned 23 October 2018) J Sheets (appointed 20 February 2019)
Registered number	08670484
Registered office	Belmont House Station Way Crawley West Sussex RH10 1JA
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 5 Benham Road Southampton Science Park Chilworth Southampton SO16 7QJ

CARING BRANDS EUROPE LIMITED

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CARING BRANDS EUROPE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements for the year ended 31 December 2018.

Principal activity

The principal activity of the Company is that of a holding company.

Results and dividends

The profit for the year, after taxation, amounted to £16,877,334 (2017: loss £409,197).

The Directors recommend payment of a dividend amounting to £21,000,000 (2017: £Nil)

Directors

The directors who served during the year were:

P D Tarsey (resigned 29 May 2019)
Y E Reynolds (appointed 23 October 2018)
L P Kraska (resigned 28 September 2018)
D M Waltzer (appointed 20 September 2018 & resigned 23 October 2018)

Directors' responsibilities statement

The directors are responsible for preparing the Directors' 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CARING BRANDS EUROPE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

Disclosure of information to auditor

The Directors confirm that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 23 September 2019 and signed on its behalf.



Y E Reynolds
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARING BRANDS EUROPE LIMITED

Opinion

We have audited the financial statements of Caring Brands Europe Limited (the 'company') for the year ended 31 December 2018, which comprise the Profit and loss account, the Balance sheet, the Statement of changes in equity 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 company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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 company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARING BRANDS EUROPE LIMITED
(CONTINUED)**

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARING BRANDS EUROPE LIMITED
(CONTINUED)**

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

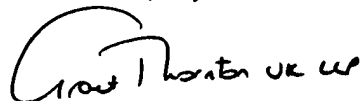
Auditor's responsibilities for the audit of the financial statements

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.

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.



Amanda James FCCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Southampton
Date: 26 September 2019

CARING BRANDS EUROPE LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £	2017 £
Administrative expenses		(2,233)	(2,613)
Operating (loss)		(2,233)	(2,613)
Income from fixed asset investments		17,500,000	-
Interest receivable and similar income	7	573,888	-
Interest payable and expenses	6	(1,194,321)	(406,584)
Profit/(loss) before tax		16,877,334	(409,197)
Tax on profit/(loss)	8	-	-
Profit/(loss) for the financial year		<u>16,877,334</u>	<u>(409,197)</u>

There were no recognised gains and losses for 2018 or 2017 other than those included in the profit and loss account.

There was no other comprehensive income for 2018 (2017: £Nil)

The notes on pages 9 to 15 form part of these financial statements.

CARING BRANDS EUROPE LIMITED
REGISTERED NUMBER:08670484

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Investments	9		19,028,474		19,028,474
Current assets					
Debtors: amounts falling due within one year	10	15,109,782		141,465	
Creditors: amounts falling due within one year	11	(31,646,146)		(12,555,163)	
Net current liabilities			(16,536,364)		(12,413,698)
Net assets			<u>2,492,110</u>		<u>6,614,776</u>
Capital and reserves					
Called up share capital			2,683,497		2,683,497
Profit and loss account			(191,387)		3,931,279
			<u>2,492,110</u>		<u>6,614,776</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 September 2019


Y E Reynolds
 Director

The notes on pages 9 to 15 form part of these financial statements.

CARING BRANDS EUROPE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2018	2,683,497	3,931,279	6,614,776
Comprehensive income for the year			
Profit for the year	-	16,877,334	16,877,334
Dividends paid	-	(21,000,000)	(21,000,000)
At 31 December 2018	<u>2,683,497</u>	<u>(191,387)</u>	<u>2,492,110</u>

The notes on pages 9 to 15 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2017	2,683,497	4,340,476	7,023,973
Comprehensive income for the year			
Loss for the year	-	(409,197)	(409,197)
At 31 December 2017	<u>2,683,497</u>	<u>3,931,279</u>	<u>6,614,776</u>

The notes on pages 9 to 15 form part of these financial statements.

CARING BRANDS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

Caring Brands Europe Limited is a limited liability company incorporated in England and Wales. Registered number 08670484. Its registered head office is located at Belmont House, Station Way, Crawley, West Sussex, RH10 1JA.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on the going concern basis.

At the year end the company had net current liabilities of £16,536,364 (2017: £12,413,698) meaning the company is dependent on the continued financial support of the parent company, CBI Parent, LP.

Confirmation has been obtained from the parent company that if required, financial support will be available for a period of at least 12 months from the signing of these financial statements.

2.3 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.5 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and loss account.

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

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

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

2.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.7 Interest income

Interest income is recognised in the profit and loss account using the effective interest method

CARING BRANDS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of these financial statements requires management to note judgements and estimates that affect the reported amount of assets and liabilities at the balance sheet date and the reported profits during the financial year.

There is no significant judgements or sources of estimation uncertainty that requires specific disclosure in addition to the disclosure in the accounting policies by the company and set out in note 2.

4. Auditor's remuneration

	2018 £	2017 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	1,650	1,550
Fees payable to the Company's auditor and its associates in respect of:		
Taxation services	800	775

5. Employees

The company has no employees other than the directors, who did not receive any remuneration (2017: £Nil).

The average monthly number of employees, including the directors, during the year was 2 (2017: 3)

6. Interest payable and similar charges

	2018 £	2017 £
Loans from group undertakings	1,194,321	406,584

7. Interest receivable and similar income

Loans to group undertakings	573,888	-
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CARING BRANDS EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. Taxation

	2018 £	2017 £
Corporation tax		
Current tax on profits for the year	-	-
Total current tax	<u>-</u>	<u>-</u>

CARING BRANDS EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

9. Fixed asset investments

	Investment in subsidiary companies £
Cost or valuation	
At 1 January 2018 and 31 December 2018	<u>19,028,474</u>
Net book value	
At 31 December 2018	<u>19,028,474</u>
At 31 December 2017	<u>19,028,474</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Bluebird Care Group Limited	England and Wales	Ordinary - Direct	100%	Holding company
Bluebird Care Franchises Limited	England and Wales	Ordinary - Indirect	100%	Franchise provider of care services
Bluebird Care Services Limited	England and Wales	Ordinary - Indirect	100%	Provision of care services
Bluebird Care Company Limited	England and Wales	Ordinary - Indirect	100%	Provision of care services
Bluebird Care Associates Limited	England and Wales	Ordinary - Indirect	100%	Marketing fund for franchisees
Caring Brands Australia Limited	England and Wales	Ordinary - Direct	100%	Holding company Provision of care services
Just Better Care Pty Limited	Australia	Ordinary - Indirect	100%	
JBCA Holdings Pty Limited	Australia	Ordinary - Indirect	100%	Holding company
Just Better Care Australia Pty Limited	Australia	Ordinary - Indirect	100%	Provision of care services

CARING BRANDS EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

9. Fixed asset investments (continued)

The aggregate of the share capital and reserves as at 31 December 2018 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Bluebird Care Group Limited	495,173	17,016,575
Bluebird Care Franchises Limited	1,880,217	5,537,333
Bluebird Care Services Limited	401,988	43,263
Bluebird Care Company Limited	250,237	49,226
Bluebird Care Associates Limited	1	-
Caring Brands Australia Limited	(1,139,571)	(93,825)
Just Better Care Pty Limited	945,864	596,126
JBCA Holdings Pty Limited (including Just Better Care Australia Pty Limited)	828,080	518,999

Bluebird Care Group Limited and Caring Brands Australia Limited are wholly owned subsidiaries of Caring Brands Europe Limited.

Bluebird Care Franchises Limited, Bluebird Care Services Limited and Bluebird Care Company Limited are wholly owned subsidiaries of Bluebird Care Group Limited.

Bluebird Care Associates Limited is a wholly owned subsidiary of Bluebird Care Franchises Limited

Just Better Care Australia Pty Limited is a wholly owned subsidiary of JBCA Holdings Pty Limited.

JBCA Holdings Pty Limited and Just Better Care Pty Limited are wholly owned subsidiaries of Caring Brands Australia Limited.

10. Debtors

	2018 £	2017 £
Amounts owed by group undertakings	<u>15,109,782</u>	<u>141,465</u>

11. Creditors: Amounts falling due within one year

	2018 £	2017 £
Amounts owed to group undertakings	31,643,946	12,552,713
Other creditors	2,200	2,450
	<u>31,646,146</u>	<u>12,555,163</u>

CARING BRANDS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

12. Ultimate parent undertaking and controlling party

The immediate parent undertaking is CBI International Parent Limited, a company incorporated in England & Wales, which owns 100% of the issued share capital. The ultimate parent undertaking is CBI Parent, LP, a company incorporated in the United States of America. Copies of the group financial statements are available from 1601 Sawgrass Corporate Parkway, Sunrise, FL33323, USA.

CBI UK Topco Limited is the smallest group to consolidate, CBI Parent LP is the largest group to consolidate Caring Brands Europe Limited.

13. Related party transactions

Under the terms of FRS 102 Section 1A the Company is exempt from the requirement to disclose transactions with other group entities.

There was no key management personnel compensation.