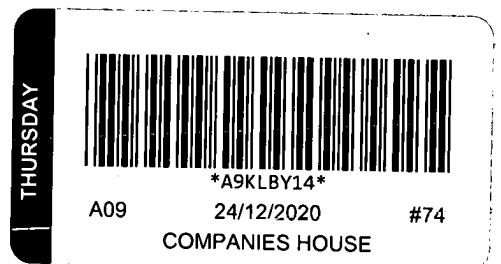


Registered number: 09052320

**ACCOMPLISH GROUP INTERCO LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2020**



## **ACCOMPLISH GROUP INTERCO LIMITED**

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## **ACCOMPLISH GROUP INTERCO LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	M Ramsey V Cooper
<b>Registered Number</b>	09052320
<b>Registered Office</b>	Ground Floor 2 Parklands Rubery B45 9PZ
<b>Independent Auditors</b>	KPMG LLP Statutory Auditor One Snowhill Snow Hill Queensway Birmingham B4 6GH

## **ACCOMPLISH GROUP INTERCO LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2020**

The Directors present the Strategic Report of Accomplish Group Interco Limited (the “Company”) for the year ended 31 March 2020.

#### **BUSINESS REVIEW**

The Company has ownership of investments in subsidiary companies that operate a number of a group of residential, supported living and therapeutic care services, which together form the Accomplish Group Holdco Limited Group. The Directors manage the various businesses of the Accomplish Group Holdco Limited Group (“the Group”) on a group, rather than an individual company basis. As such, a separate business review of the Company has not been prepared, but a group review can be found in the Strategic Report contained in the Annual Report of Accomplish Group Holdco Limited. Neither the Strategic Report nor the Annual Report of Accomplish Group Holdco Limited forms part of this report.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks and uncertainties of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of Accomplish Group Holdco Limited, which include those of the Company, are discussed in the Strategic Report contained in the Annual Report of Accomplish Group Holdco Limited. Neither the Strategic Report nor the Annual Report of Accomplish Group Holdco Limited forms part of this report.

The Group has considered the potential impact of the United Kingdom’s (“UK”) exit from the European Union including a review of guidance issued from the Department of Health and Social Care. Due to the fact that the Group operates only within England and Wales and has minimal reliance on import or export transactions with other countries within the European Union the specific risk to the group arising from the UK’s exit is currently assessed as low but will continue to be monitored as plans become clearer.

In March 2020, the World Health Organisation declared the outbreak of Coronavirus (COVID-19) a pandemic in response to its spread across the world. The Group has considered the potential impact of the pandemic and continues to monitor this on a frequent basis. The Group’s management convened daily initially and now continues to meet twice weekly to ensure that the Group is adhering to the latest Government guidance and manage any consequences effectively, including monitoring of known and suspected cases. Communication is issued to the wider business when necessary to ensure all staff and service users adopt the latest information and guidance. Whilst some short-term financial challenges were anticipated, the UK Government’s support through additional funding streams and the controls implemented throughout the pandemic have meant that the Group has not experienced a significant impact. These funding streams are in place to cover the additional costs incurred and ensure the well-being of the Group’s service users and employees. The COVID-19 pandemic has not changed our strategic aim to provide excellent care to those within our services.

## **ACCOMPLISH GROUP INTERCO LIMITED**

### **STRATEGIC REPORT**

**FOR THE YEAR ENDED 31 MARCH 2020**

### **FINANCIAL KEY PERFORMANCE INDICATORS**

The Directors of Accomplish Group Holdco Limited manage the Group's operations on a group-wide basis.

For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of Accomplish Group Interco Limited.

The development, performance and position of Accomplish Group Holdco Limited, which includes the Company, are discussed in the Strategic Report contained in the Annual Report of Accomplish Group Holdco Limited. Neither the Strategic Report nor the Annual Report of Accomplish Group Holdco Limited forms part of this report.

### **ENVIRONMENT AND SUSTAINABILITY**

The Directors of Accomplish Group Holdco Limited manage the Group's operations on a group-wide basis. As such, a separate environment and sustainability review of the Company has not been prepared, but a group review can be found in the Strategic Report contained in the Annual Report of Accomplish Group Holdco Limited. Neither the Strategic Report nor the Annual Report of Accomplish Group Holdco Limited form part of this report.

### **STAKEHOLDER ENGAGEMENT AND SECTION 172 STATEMENT**

The Directors of Accomplish Group Holdco Limited manage the Group's operations on a group-wide basis. As such, a separate stakeholder engagement and section 172 statement for the Company has not been prepared, but a group statement can be found in the Strategic Report contained in the Annual Report of Accomplish Group Holdco Limited. Neither the Strategic Report nor the Annual Report of Accomplish Group Holdco Limited form part of this report.

The report was approved by the board on 22 December 2020 and signed on its behalf by:



**V Cooper**  
Director

## **ACCOMPLISH GROUP INTERCO LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020**

The Directors present their annual report and the audited financial statements of Accomplish Group Interco Limited (the "Company") for the year ended 31 March 2020.

### **PRINCIPAL ACTIVITIES**

The principal activity of the Company is the ownership of investments in subsidiary companies involved in the provision of care and support to people with complex needs and challenging behaviour in residential, supported living and therapeutic services.

### **RESULTS AND DIVIDENDS**

The loss for the financial year was £63,430 (2019: £66,822).

The Directors do not recommend the payment of a dividend.

### **DIRECTORS**

The Directors who served during the year and up to the date of signing the financial statements, unless otherwise stated, were:

R Craner (Resigned 13<sup>th</sup> September 2019)  
S G Hullin (Resigned 30<sup>th</sup> April 2019)  
M Ramsey  
V Cooper (Appointed 13<sup>th</sup> September 2019)

### **QUALIFYING THIRD PARTY INDEMNITY PROVISIONS**

The Company purchased and maintained throughout the financial year and up to the date of approval of the financial statements, Directors' and Officers' liability insurance in respect of itself and its Directors.

### **FUTURE DEVELOPMENT**

The development, performance and position of Accomplish Group Holdco Limited, which includes the Company, are discussed in the Strategic Report contained in the Annual Report of Accomplish Group Holdco Limited. Neither the Strategic Report nor the Annual Report of Accomplish Group Holdco Limited forms part of this report.

### **FINANCIAL RISK MANAGEMENT**

The Company is currently funded via loan notes. Interest on these loans is accumulated on a non-cash basis and the loan notes mature in June 2022 as set out in note 13. Given the current performance and growth of the group to which Accomplish Group Interco Limited belongs, the Directors consider the risk of not being able to refinance the facilities as relatively low.

## **ACCOMPLISH GROUP INTERCO LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020**

#### **GOING CONCERN**

The Directors have considered the use of the going concern basis in the preparation of the financial statements. The Group in which Accomplish Group Interco Limited is a member is financed by a combination of shareholder and other loans.

The Directors' assessment of the Group's ability to continue as a going concern is based on a consideration of cash flow forecasts, the Group's loan covenant requirements and whether the Group will generate sufficient cash to pay its liabilities as they fall due, including financing cash flows. These assessments consider the anticipated effects of COVID-19, and have been completed for the foreseeable future including at least 12 months from the date of approval of these financial statements.

These forecasts show that at the date of signing these accounts, the Group has adequate financial resources to enable the Group to continue to operate for the foreseeable future and meet the Group's loan covenant requirements. The Group therefore has sufficient cash to meet its needs and the Directors have consequently continued to adopt the going concern basis in preparing the financial statements.

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware; and
- that 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 and the Group's auditors are aware of that information.

#### **INDEPENDENT AUDITOR**

Under section 487(2) of the Companies Act 2006, KPMG LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

The Directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

**ACCOMPLISH GROUP INTERCO LIMITED**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2020**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS (CONTINUED)**

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

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

This report was approved by the board on 22 December 2020 and signed on its behalf by:



**V Cooper**  
Director



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCOMPLISH GROUP INTERCO LIMITED**

### **Opinion**

We have audited the financial statements of Accomplish Group Interco Limited ("the Company") for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and related notes, including the accounting policies in note 3.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

### **Strategic report and Directors' report**

The Directors are responsible for the Strategic report and the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic report and the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Strategic report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCOMPLISH GROUP INTERCO LIMITED CONTINUED**

### **Directors' responsibilities**

As explained more fully in their statement 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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.



**Xavier Timmermans (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

One Snowhill

Snow Hill Queensway

B4 6GH

Birmingham

United Kingdom

Date: 22 December 2020

**ACCOMPLISH GROUP INTERCO LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2020**

	<b>Note</b>	<b>Year ended 31 March 2020 £</b>	<b>Year ended 31 March 2019 £</b>
Administrative expenses		-	-
<b>Operating result</b>		-	-
Interest receivable and similar income	7	7,280,136	6,481,335
Interest payable and similar charges	8	(7,343,566)	(6,548,157)
<b>Loss on ordinary activities before taxation</b>		<b>(63,430)</b>	<b>(66,822)</b>
Tax on loss on ordinary activities	9	-	-
<b>Loss for the financial year</b>		<b>(63,430)</b>	<b>(66,822)</b>
<b>Total comprehensive expense for the financial year</b>		<b>(63,430)</b>	<b>(66,822)</b>
<b>Total comprehensive expense for the financial year attributable to:</b>			
Owners of the parent Company		(63,430)	(66,822)
		<b>(63,430)</b>	<b>(66,822)</b>

The notes on pages 12 – 22 form part of these financial statements.

**ACCOMPLISH GROUP INTERCO LIMITED**  
**REGISTERED NUMBER: 09052320**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2020**

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Investments	10	27,084,610	27,084,610
<b>CURRENT ASSETS</b>			
Debtors	11	67,772,635	60,492,499
<b>CREDITORS: amounts falling due within one year</b>	12	<u>(251,646)</u>	<u>(251,646)</u>
<b>NET CURRENT ASSETS</b>		67,520,989	60,240,853
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>94,605,599</u>	<u>87,325,463</u>
<b>CREDITORS: amount falling due after one year</b>	13	(67,623,912)	(60,280,346)
<b>NET ASSETS</b>		<u>26,981,687</u>	<u>27,045,117</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	27,334,610	27,334,610
Profit and loss account	15	<u>(352,923)</u>	<u>(289,493)</u>
<b>TOTAL SHAREHOLDERS FUNDS</b>		<u>26,981,687</u>	<u>27,045,117</u>

The financial statements on pages 9 to 22 were approved and authorised for issue by the board and were signed on its behalf on 22 December 2020 by:



V Cooper  
**Director**

The notes on pages 12 – 22 form part of these financial statements.

**ACCOMPLISH GROUP INTERCO LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2020**

	<b>Called up share capital £</b>	<b>Profit and loss account £</b>	<b>Total shareholders' funds £</b>
At 1 April 2019	27,334,610	(289,493)	27,045,117
<b>Comprehensive expense for the financial year</b>	-	(63,430)	(63,430)
Loss for the financial year			
At 31 March 2020	<u>27,334,610</u>	<u>(352,923)</u>	<u>26,981,687</u>

**FOR THE YEAR ENDED 31 MARCH 2019**

	<b>Called up share capital £</b>	<b>Profit and loss account £</b>	<b>Total shareholders' funds £</b>
At 1 April 2018	27,334,610	(222,671)	21,111,939
<b>Comprehensive expense for the financial year</b>	-	(66,822)	(66,822)
Loss for the financial year			
At 31 March 2019	<u>27,334,610</u>	<u>(289,493)</u>	<u>27,045,117</u>

The notes on pages 12 – 22 form part of these financial statements.

## **ACCOMPLISH GROUP INTERCO LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

#### **1. GENERAL INFORMATION**

Accomplish Group Interco Ltd (the "Company") owns investments in subsidiary companies involved in the provision of care and support to people with complex needs and challenging behaviour in residential, supported living and therapeutic services.

The Company is a private company limited by shares and is incorporated in England, domiciled and registered in the United Kingdom. The address of its registered office is: Ground floor 2 Parklands, Rubery, B45 9PZ.

#### **2. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 ("FRS 102"), the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006. The amendments to FRS102 issued in December 2018 have been applied.

#### **3. ACCOUNTING POLICIES**

The following principal accounting policies have been applied consistently throughout the financial year.

##### **3.1 Basis of preparation of financial statements**

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom 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 judgment in applying the Company's accounting policies (see note 4).

The Company is itself a subsidiary company and is exempt from the requirement to prepare group financial statements by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

##### **3.2 Financial reporting standard 102 – reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing the financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);

## **ACCOMPLISH GROUP INTERCO LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

#### **3.2 Financial reporting standard 102 – reduced disclosure exemptions (continued)**

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Accomplish Group Holdco Limited, as at 31 March 2020 and these financial statements may be obtained from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

#### **3.3 Going Concern**

The Directors have prepared the Company's financial statements on a going concern basis.

The Company's operations were profitable in the year ended 31 March 2020 and are expected to continue to generate positive cash flows the next 12 months from date of approval of these financial statements. The Company's cash flows and funding are managed through central treasury arrangements within the Accomplish Group Holdco Limited group (the Group), which operates a portfolio of similar specialist care operations. As a result, whilst the Company is not dependent on additional group financial support, the Directors have assessed the Company's going concern by evaluating the financial position of the Group.

The Group manages its funding requirement and cashflows centrally through a combination of facilities including external bank debt totaling £99.4m repayable at the end of its term in November 2025, a secured ground rent lease of £29.1m with an expiry date of November 2168 and shareholder loan notes of £67m repayable in June 2022.

The Directors' assessment of the Group's ability to continue as a going concern is based on a consideration of cash flow forecasts, the Group's loan covenant requirements and whether the Group will generate sufficient cash to pay its liabilities as they fall due, including financing cash flows. Loan covenants principally relate to leverage ratios. The Directors' assessment considers the experienced and anticipated effects of COVID-19. The Directors consider that COVID-19 will not have a significant impact on the performance of the Group, however the Group forecasts completed include a range of downside sensitivities to EBITDA (which consists of revenue and costs) to ascertain the headroom within the Group's loan covenant requirements. These forecasts have been completed for at least 12 months from the date of approval of these financial statements and show that the Group has adequate financial resources to enable the Group to continue to operate for the forecast period and meet its loan covenant requirements.

## **ACCOMPLISH GROUP INTERCO LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

#### **3.3 Going Concern (continued)**

These forecasts show that at the date of signing these accounts, the Group has adequate financial resources to enable the Group and the Company to continue to operate for the foreseeable future and meet the Group's loan covenant requirements. The Group and Company therefore has sufficient cash to meet its needs and the Directors have consequently continued to adopt the going concern basis in preparing the Company's financial statements.

#### **3.4 Debtors**

Short terms 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.

#### **3.5 Creditors**

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

#### **3.6 Investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

#### **3.7 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and



## **ACCOMPLISH GROUP INTERCO LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

#### **3.7 Current and deferred taxation (continued)**

- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

#### **3.8 Financial Instruments**

The Company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, 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 the 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 payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However, if the arrangements of a short-term instrument 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 outright 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 Income Statement.

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.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position 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.

## ACCOMPLISH GROUP INTERCO LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

#### 3.9 Finance costs

Finance costs are charged to the Income Statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### 4. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 3 the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities, which are based on historical experience and other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed on an ongoing basis with revisions to accounting estimates being recognised in the period in which the estimate is revised, where that revision affects only the current or future accounting periods.

The following are the critical judgements and key sources of estimation uncertainty that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the financial statements:

##### Carrying value of investments

Determining whether investments are impaired requires an estimation of value in use of the cash generating units to which the investments are related. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash generating units and the application of a discount rate to calculate the present value.

##### Valuation of amounts owed by group undertakings

The Company assess the recoverability of intercompany balances annually or more frequently if warranted by a change in circumstances. If it is determined that the carry values cannot be recovered, the unrecoverable amounts are charged against current earnings. Recoverability is dependent upon assumptions and judgements regarding market conditions and future cash flows.

#### 5. AUDITORS REMUNERATION

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Fees payable to the Company's auditors for the audit of the Company's annual financial statements	3,000	2,000
Fees payable to the Company's auditors in respect of:		
- Taxation compliance services	-	-
- Other non-audit services	-	-

Fees payable to the Company's auditors are those associated with the services provided relating to the Company. These costs are borne by fellow group companies in the current and previous financial year.

**ACCOMPLISH GROUP INTERCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020****6. STAFF COSTS**

The Company has no employees other than the Directors, whose qualifying services to the Company were considered trivial. The Directors were remunerated by Accomplish Group Limited for their qualifying services to the group as a whole.

**7. INTEREST RECEIVABLE AND SIMILAR INCOME**

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Interest on intercompany loans	<u>7,280,136</u>	<u>6,481,335</u>
	<u>7,280,136</u>	<u>6,481,335</u>

**8. INTEREST PAYABLE AND SIMILAR CHARGES**

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Interest on loan notes	7,280,135	6,481,338
Amortisation of debt issue costs	63,431	64,139
Other interest payable and similar charges	-	2,680
	<u>7,343,566</u>	<u>6,548,157</u>

**9. TAX ON LOSS**

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Corporation tax	-	-
Deferred tax	-	-
Tax on loss	<u>-</u>	<u>-</u>

# ACCOMPLISH GROUP INTERCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### 9. TAX ON LOSS (CONTINUED)

#### Factors affecting tax charge for the financial year

The tax assessed for the year is the higher than (2019: higher than) as the standard rate of corporation tax in the UK of 19% (2019: 19%).

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Loss before tax	<u>(63,430)</u>	<u>(66,822)</u>
Loss multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	(12,052)	(12,696)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	1,383,226	1,231,454
Non-taxable income	-	-
Transfer pricing adjustments	-	-
Group relief not paid for	<u>(1,371,174)</u>	<u>(1,218,758)</u>
<b>Total tax charge for the year</b>	<u>-</u>	<u>-</u>

#### Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2018) was substantively enacted on 26 October 2015. On 11 March 2020 it was announced that the rate reduction to 17% would not now occur and that the UK corporation tax rate would remain at 19% for the financial years commencing 1 April 2020 and 1 April 2021. The effect of this change on the Group's deferred tax balance is considered above.

### 10. INVESTMENTS

	Investments in subsidiary companies £
<b>Cost</b>	
At 1 April 2019 and 31 March 2020	<u>27,084,610</u>
<b>Net book value</b>	
At 1 April 2019 and 31 March 2020	<u>27,084,610</u>

## ACCOMPLISH GROUP INTERCO LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

#### 10. INVESTMENTS (CONTINUED)

##### Subsidiary undertakings

The following were subsidiary undertakings of the Company whose registered office address is Ground Floor, 2 Parklands, Rubery, B45 9PZ:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Accomplish Group MidCo Limited*	United Kingdom	Ordinary	100%	Holding company
Accomplish Group BidCo Limited	United Kingdom	Ordinary	100%	Holding company
Accomplish Group Property Limited	United Kingdom	Ordinary	100%	Holding company
Accomplish Group Limited	United Kingdom	Ordinary	100%	Care provider
Trascare 2005 Limited	United Kingdom	Ordinary	100%	Dormant
Trascare 2006 Group Limited	United Kingdom	Ordinary	100%	Dormant
Trascare 2006 Holdings Limited	United Kingdom	Ordinary	100%	Dormant
Trascare 2006 Limited	United Kingdom	Ordinary	100%	Dormant
Trascare 2007 Holdings Limited	United Kingdom	Ordinary	100%	Dormant
Trascare 2007 Limited	United Kingdom	Ordinary	100%	Dormant
Cascade Care Group Limited	United Kingdom	Ordinary	100%	Dormant
Cascade Care Holdings Limited	United Kingdom	Ordinary	100%	Dormant
Cascade Care Limited	United Kingdom	Ordinary	100%	Dormant
Milton Park Holdings Limited	Channel Islands	Ordinary	100%	Holding company
Accomplish Group Employee Limited	United Kingdom	Ordinary	100%	Care provider
Moville Holdings Limited	Channel Islands	Ordinary	100%	Holding company
Signia Estates Limited	United Kingdom	Ordinary	100%	Dormant
Kemble Holdings Limited	Channel Islands	Ordinary	100%	Holding company
Accomplish Group Support Limited	United Kingdom	Ordinary	100%	Care provider
Milton Care Partnership	United Kingdom	Partnership interest	100%	Care provider
Kemble Care Partnership	United Kingdom	Partnership interest	100%	Care provider
Brookdale Care Partnership	United Kingdom	Partnership interest	100%	Care provider
Accomplish Group Care Limited	United Kingdom	Ordinary	100%	Care provider
Accomplish Group Residential Care Limited	United Kingdom	Ordinary	100%	Care provider
Accomplish Group Specialist Care Limited	United Kingdom	Ordinary	100%	Care provider
Accomplish Group Lifestyles Ltd	United Kingdom	Ordinary	100%	Care provider
Accomplish Group (Eilat) Limited	United Kingdom	Ordinary	100%	Care provider
Accomplish Group Lifestyles (South West) Limited	United Kingdom	Ordinary	100%	Care provider
Accomplish Group Cymru Lifestyles South Limited	United Kingdom	Ordinary	100%	Care provider
Your Lifestyle Group Limited	United Kingdom	Ordinary	100%	Holding company
Construction Alliance Recruitment Limited	United Kingdom	Ordinary	100%	Care provider
Your Lifestyle Nationwide Limited	United Kingdom	Ordinary	100%	Care provider
Freedom Care Limited	United Kingdom	Ordinary	100%	Care provider

\*Owned directly by the company

# ACCOMPLISH GROUP INTERCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### 10. INVESTMENTS (CONTINUED)

#### Subsidiary undertakings (continued)

Name	Country of incorporation	Class of shares	Holding	Principal Activity
Accomplish Group Contract Management Limited	United Kingdom	Ordinary	100%	Holding company
Westhope Investments Limited	United Kingdom	Ordinary	100%	Holding company
Westhope Care Limited	United Kingdom	Ordinary	100%	Care provider
Westhope Limited	United Kingdom	Ordinary	100%	Care provider
Malvern View (Lydiate) Limited	United Kingdom	Ordinary	100%	Care provider
Lyndale (Hereford) Limited	United Kingdom	Ordinary	100%	Care provider
The Old Posting Office (Haughton) Limited	United Kingdom	Ordinary	100%	Care provider
Blackwells (Hereford) Limited	United Kingdom	Ordinary	100%	Care provider
Chepstow House (Ross) Limited	United Kingdom	Ordinary	100%	Care provider

The Directors consider the value of the investments to be supported by their underlying net assets and future cash flows expected to arise.

### 11. DEBTORS

	2020 £	2019 £
<b>Due within one year</b>		
Amount owed by group undertakings	<u>67,772,635</u>	<u>60,492,499</u>

Amounts owed by group undertakings are unsecured, interest is charged at 12% and carry no fixed terms of repayment.

### 12. CREDITORS:

#### Amounts falling due within one year

	2020 £	2019 £
Amount owed to group undertakings	<u>251,646</u>	<u>251,646</u>

The amounts owed to group undertakings falling due within one year are unsecured, no interest is charged and are repayable on demand.

### 13. CREDITORS:

#### Amounts falling due after one year

	2020 £	2019 £
Other loans	<u>67,623,912</u>	<u>60,280,346</u>

## ACCOMPLISH GROUP INTERCO LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

#### 13. CREDITORS (CONTINUED)

##### Other loans

The Company has in place A loan notes and B loan notes.

£26,975,748 of unsecured A loan notes were issued at a par value of £1 per note on 6 June 2014 and a further £8,020,391 were issued on 7 July 2015. Interest of 12% per annum is accrued on the notes and is compounded annually, of which £32,699,926 has been accrued and included in the above liability as at 31 March 2020. The loan notes are redeemable at par values plus accrued interest on the 8th anniversary of the original issue.

The A notes are listed on the Channel Islands Stock Exchange.

£24,252 of unsecured B loan notes were issued at a par value of £1 per note on 6 June 2014 and a further £16,168 were issued on 28 November 2014. Interest of 12% per annum is accrued on the notes and is compounded annually, of which £36,114 has been accrued and included in the above liability as at 31 March 2020. The loan notes are redeemable at par value plus accrued interest on the 8th anniversary of the original issue.

A total of £148,697 (2019: £212,128) amortised loan note arrangement fees relating to the A and B loan notes have been offset against the liabilities above.

#### 14. CALLED UP SHARE CAPITAL

	2020 £	2019 £
<b>Allotted, called up and unpaid</b>		
27,334,610 (2019: 27,334,610) Ordinary shares of £1 (2019: £1)	<u>27,334,610</u>	<u>27,334,610</u>

#### 15. RESERVES

##### Profit and loss account

The profit and loss account represents the cumulative profits and losses of the Company less any distributions made to owners of the Company.

#### 16. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption, under FRS 102 paragraph 33.2, from disclosing transactions with members of the same group that are wholly owned.

## **ACCOMPLISH GROUP INTERCO LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

#### **17. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The immediate parent company at 31 March 2020 was Accomplish Group Holdco Limited.

In the opinion of the Directors, at 31 March 2020, the ultimate parent undertaking and controlling party is considered to be Sundhet Holding SA.

Accomplish Group Holdco Limited is the parent of the smallest and largest group in which the Company is a member and for which group financial statements are drawn up. Copies of the financial statements of Accomplish Group Holdco Limited are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

#### **18. EVENTS AFTER THE END OF THE REPORTING PERIOD**

On 1<sup>st</sup> July 2020, the Group acquired 100% of the share capital of Homestyle Care Limited, a company that provides residential services to adults with learning disabilities for an initial consideration of £2.1m.

On 17<sup>th</sup> December 2020, the Company acquired 100% of the share capital of Transparent Care Limited, a company that provides supported living and residential services to adults with learning disabilities and mental health needs for an initial consideration of £8.5m.