

Registered number: 09052879

ACCOMPLISH GROUP BIDCO LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022



ACCOMPLISH GROUP BIDCO LIMITED

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ACCOMPLISH GROUP BIDCO LIMITED

COMPANY INFORMATION

Directors	D Manson CJ Anderton
Registered Number	09052879
Registered Office	Maybrook House Second Floor Queensway Halesowen B63 4AH
Independent Auditor	KPMG LLP Statutory Auditor One Snowhill Snow Hill Queensway Birmingham B4 6GH

ACCOMPLISH GROUP BIDCO LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Directors present the Strategic Report of Accomplish Group Bidco Limited (the “Company”) for the year ended 31 March 2022.

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 Mipco Limited Group.

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 Accomplish Mipco Limited Group (the “Group”) and are not managed separately. Accordingly, the principal risks and uncertainties of Accomplish Mipco Limited, which include those of the Company, are discussed in the Strategic Report contained in the Annual Report of Accomplish Mipco Limited. Neither the Strategic Report nor the Annual Report of Accomplish Mipco Limited forms part of this report.

FINANCIAL KEY PERFORMANCE INDICATORS

The Directors of Accomplish Mipco 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 Bidco Limited.

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

ENVIRONMENT AND SUSTAINABILITY

The Directors of Accomplish Mipco 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 Mipco Limited, which includes information on energy use. Neither the Strategic Report nor the Annual Report of Accomplish Mipco Limited form part of this report.

ACCOMPLISH GROUP BIDCO LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

STAKEHOLDER ENGAGEMENT AND SECTION 172 STATEMENT

The Directors of Accomplish Mipco 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 Mipco Limited. Neither the Strategic Report nor the Annual Report of Accomplish Mipco Limited form part of this report.

The report was approved by the board on 20 December 2022 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'CJ Anderton', written over a horizontal line.

CJ Anderton
Director

ACCOMPLISH GROUP BIDCO LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Directors present their annual report and the audited financial statements of Accomplish Group Bidco Limited (the "Company") for the year ended 31 March 2022.

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 £15,472,609 (2021: £15,424,878).

The Directors do not recommend the payment of a dividend (2021: £Nil).

DIRECTORS

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

M Ramsey (resigned 30 June 2022)
V Cooper (resigned 10 February 2022)
LM Dutton (appointed 10 February 2022, resigned 30 June 2022)
CJ Anderton (appointed 1 July 2022)
D Manson (appointed 1 July 2022)

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 Mipco Limited, which includes the Company, are discussed in the Strategic Report contained in the Annual Report of Accomplish Mipco Limited. Neither the Strategic Report nor the Annual Report of Accomplish Mipco Limited forms part of this report.

FINANCIAL RISK MANAGEMENT

The Company is not exposed to any significant risk arising from the use of financial instruments.

GOING CONCERN

The Directors have prepared the Company's financial statements on a going concern basis notwithstanding the Company has recorded a loss of £15.5m, has net current liabilities of £82.8m and net liabilities of £80.4m.

ACCOMPLISH GROUP BIDCO LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

GOING CONCERN (CONTINUED)

The Company's cash flows and funding are managed through central treasury arrangements within the Accomplish Mipco 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 merged with another provider of care, the Keys Group post year end on 1 July 2022 (known as "Combined Group" henceforth). As a result of this merger the existing banking facilities were replaced with a combined facility for the Combined Group. This consists of a £270m Unitranche Facility expiring on 1 July 2032, with access to a Committed Capex/Acquisition Unitranche Facility of £50m expiring on 1 July 2032 and a Revolving Credit Facility of £15m expiring on 1 July 2032. The Group still retains the £17m of £12% preference shares, however as part of the merger with Accomplish Group, the Preference shares are now redeemable on the 10th anniversary of the adoption date or on an exit. Management have prepared cash flow forecasts and accompanying covenant compliance calculations for the Combined Group for the period of 12 months from the signing of these financial statements, including what they consider to be a reasonably possible downside scenario. The cash outflows associated with the Combined Group's debt in this period are limited only to bank interest payments, limiting the size of required cash outflows on the Combined Group's financing. These cash flow forecasts indicate that the Combined Group will have sufficient funds to meet its liabilities as they fall due for that period and comply with all debt covenants to enable the Group to continue to operate for the forecast period and meet its loan covenant requirements.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

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 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 auditors are aware of that information.

INDEPENDENT AUDITORS

KPMG LLP will resign as the Company's auditor after completing the audit of this annual report and financial statements. The directors intend to appoint Cooper Parry LLP to fill the casual vacancy created.

This report was approved by the board on 20 December 2022 and signed on its behalf by:



CJ Anderton

Director

Maybrook House, Second Floor, Queensway, Halesowen B63 4AH

ACCOMPLISH GROUP BIDCO LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2022

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*.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCOMPLISH GROUP BIDCO LIMITED

Opinion

We have audited the financial statements of Accomplish Group Bidco Limited ("the Company") for the year ended 31 March 2022 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 2022 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").

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.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

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 above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCOMPLISH GROUP BIDCO LIMITED

- Enquiring of directors and management as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading board meeting minutes.
- Considering remuneration incentive schemes and performance targets for management and directors.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account possible pressures to meet profit targets and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that that management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as fixed asset impairment. On this audit we do not believe there is a fraud risk related to revenue recognition because there is not revenue in the year.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts to cash and borrowings; and
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards) and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation), distributable profits legislation, taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCOMPLISH GROUP BIDCO LIMITED

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, employment law, Health and Social Care regulation, data protection regulation, recognising the nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCOMPLISH GROUP BIDCO LIMITED

We have nothing to report in these respects.

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.

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

Birmingham

B4 6GH

United Kingdom

Date: 21 December 2022

ACCOMPLISH GROUP BIDCO LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Administrative expenses		<u>(74,900)</u>	<u>(658,006)</u>
OPERATING LOSS		(74,900)	(658,006)
Analysed between:			
Other administrative income/(expenses)		32,000	(120,068)
Exceptional administrative expenses	7	(106,900)	(537,938)
Interest payable and similar charges	8	(15,397,709)	(14,766,872)
Loss on ordinary activities before taxation		(15,472,609)	(15,424,878)
Tax on loss on ordinary activities	9	-	-
Loss for the financial year		(15,472,609)	(15,424,878)
Total comprehensive expense for the financial year		(15,472,609)	(15,424,878)
Total comprehensive expense for the financial year attributable to:			
Owners of the parent Company		<u>(15,472,609)</u>	<u>(15,424,878)</u>
		<u>(15,472,609)</u>	<u>(15,424,878)</u>

The notes on pages 14 to 27 form part of these financial statements.

ACCOMPLISH GROUP BIDCO LIMITED
REGISTERED NUMBER: 09052879

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Investments	10	<u>99,770,552</u>	<u>99,770,552</u>
		99,770,552	99,770,552
CURRENT ASSETS			
Debtors	11	61,121,446	59,109,011
Cash		<u>32,626</u>	<u>32,656</u>
		61,154,072	59,141,667
CREDITORS: amounts falling due within one year	12	<u>(143,998,214)</u>	<u>(127,068,174)</u>
NET CURRENT LIABILITIES		<u>(82,844,142)</u>	<u>(67,926,507)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		16,926,410	31,844,045
CREDITORS: amount falling due after one year	13	<u>(97,322,277)</u>	<u>(96,767,303)</u>
NET LIABILITIES		<u>(80,395,867)</u>	<u>(64,923,258)</u>
CAPITAL AND RESERVES			
Called up share capital	14	27,084,610	27,084,610
Profit and loss account	15	<u>(107,480,477)</u>	<u>(92,007,868)</u>
TOTAL SHAREHOLDERS DEFICIT		<u>(80,395,867)</u>	<u>(64,923,258)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 December 2022 by:



CJ Anderton
Director

The notes on pages 14 to 27 form part of these financial statements.

ACCOMPLISH GROUP BIDCO LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital £	Profit and loss account £	Total shareholders' deficit £
At 1 April 2021	27,084,610	(92,007,868)	(64,923,258)
Comprehensive expense for the financial year			
Loss for the financial year	-	(15,472,609)	(15,472,609)
At 31 March 2022	<u>27,084,610</u>	<u>(107,480,477)</u>	<u>(80,395,867)</u>

FOR THE YEAR ENDED 31 MARCH 2021

	Called up share capital £	Profit and loss account £	Total shareholders' deficit £
At 1 April 2020	27,084,610	(76,582,990)	(49,498,380)
Comprehensive expense for the financial year			
Loss for the financial year	-	(15,424,878)	(15,424,878)
At 31 March 2021	<u>27,084,610</u>	<u>(92,007,868)</u>	<u>(64,923,258)</u>

The notes on pages 14 to 27 form part of these financial statements.

ACCOMPLISH GROUP BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. GENERAL INFORMATION

Accomplish Group Bidco Limited ("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: Maybrook House, Second Floor, Queensway, Halesowen, 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.

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 presentation currency of these financial statements is sterling.

The Company is itself a subsidiary company and is exempt from the requirement to prepare consolidated 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.

ACCOMPLISH GROUP BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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 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 Mipco Limited as at 31 March 2022 and these financial statements may be obtained from Companies House, Crown Way, Maundy, Cardiff CF14 3UZ.

3.3 Going concern

The Directors have prepared the Company's financial statements on a going concern basis notwithstanding the Company has recorded a loss of £15.5m, has net current liabilities of £82.8m and net liabilities of £80.4m.

The Company's cash flows and funding are managed through central treasury arrangements within the Accomplish Mipco 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 merged with another provider of care, the Keys Group post year end on 1 July 2022 (known as "Combined Group" henceforth). As a result of this merger the existing banking facilities were replaced with a combined facility for the Combined Group. This consists of a £270m Unitranche Facility expiring on 1 July 2032, with access to a Committed Capex/Acquisition Unitranche Facility of £50m expiring on 1 July 2032 and a Revolving Credit Facility of £15m expiring on 1 July 2032. The Group still retains the £17m of £12% preference shares, however as part of the merger with Accomplish Group, the Preference shares are now redeemable on the 10th anniversary of the adoption date or on an exit.

ACCOMPLISH GROUP BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

3.3 Going concern (continued)

Management have prepared cash flow forecasts and accompanying covenant compliance calculations for the Combined Group for the period of 12 months from the signing of these financial statements, including what they consider to be a reasonably possible downside scenario. The cash outflows associated with the Combined Group's debt in this period are limited only to bank interest payments, limiting the size of required cash outflows on the Combined Group's financing. These cash flow forecasts indicate that the Combined Group will have sufficient funds to meet its liabilities as they fall due for that period and comply with all debt covenants to enable the Group to continue to operate for the forecast period and meet its loan covenant requirements.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

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. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

ACCOMPLISH GROUP BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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 generates 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
- 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 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.

ACCOMPLISH GROUP BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

3.8 Financial Instruments (continued)

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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The Company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

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.

3.10 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

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.

ACCOMPLISH GROUP BIDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

**4. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY (continued)**

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:

Recognition and subsequent measurement of loans

Debt instruments, including loans, are initially measured at fair value and subsequently at amortised cost using the effective interest rate.

The classification of debt instruments on initial recognition requires a judgement regarding the substance of the transaction, in addition to its legal form. Where an arrangement includes a leasehold interest the Directors are required to determine whether, in substance this meets the recognition criteria of a finance or operating lease, or represents a loan secured on the Company's assets.

Any changes to debt instruments are considered on an individual basis and a judgement is required as to whether there is substantial modification. Any substantial modifications result in the de-recognition of the instrument and recognition of the new instrument, in line with FRS 102. Judgements considered would include changes to the lending parties, term length, amount of loans or other changes to the arrangements.

ACCOMPLISH GROUP BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

5. AUDITOR'S REMUNERATION

	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Fees payable to the Company's auditors for the audit of the Company's annual financial statements	10,000	10,000
Fees payable to the Company's auditors in respect of:		
- Taxation compliance services	<u>5,000</u>	<u>5,000</u>

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.

6. EMPLOYEES

The Company has no employees other than the Directors.

The Directors were remunerated by a fellow Group company, Accomplish Group Limited, for their services to the Group as a whole. The remuneration for qualifying services performed in relation to Accomplish Group Bidco Limited amounted to:

	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Aggregate Directors' emoluments	104,357	25,686
Company contributions to defined contribution pension schemes	<u>138</u>	<u>139</u>
	<u>104,495</u>	<u>25,825</u>

7. EXCEPTIONAL ITEMS

	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Costs relating to acquisitions, restructure and refinancing	<u>106,900</u>	<u>537,938</u>

Exceptional administrative expenses incurred in the financial year ended 31 March 2022 relate to acquisitions made in previous years.

ACCOMPLISH GROUP BIDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. INTEREST PAYABLE AND SIMILAR CHARGES

	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Interest on bank loans	5,713,097	6,054,523
Interest on loans from Group undertakings	9,108,638	8,132,712
Amortisation of debt issue costs	554,975	558,637
Other similar charges	21,000	21,000
	<u>15,397,709</u>	<u>14,766,872</u>

9. TAX ON LOSS

	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Corporation tax	-	-
Deferred tax	-	-
Tax on loss	<u>-</u>	<u>-</u>

Factors affecting tax charge for the financial year

The tax assessed for the year is higher than (2021: higher than) the standard rate of corporation tax in the UK of 19% (2021: 19%):

	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Loss before tax	<u>(15,472,609)</u>	<u>(15,424,878)</u>
Loss multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	(2,939,795)	(2,930,727)
Effects of:		
Expenses not deductible for tax purposes	1,750,952	1,647,424
Group relief surrendered not paid for	1,194,923	1,283,303
Remeasurement of deferred tax for change in rates	(377,404)	-
Movement in deferred tax not recognised	371,324	-
Total tax charge for the year	<u>-</u>	<u>-</u>

ACCOMPLISH GROUP BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

9. TAX ON LOSS (CONTINUED)

Factors that may affect future tax charges

The standard rate of UK corporation tax rate during the period is 19%. In the 3 March 2021 budget, it was announced that the UK Tax rate will increase to 25% from 1 April 2023. The Finance Bill bringing this into force was substantially enacted on 24th May 2021. This rate will have a consequential effect of the company's future tax charge. The deferred tax asset at 31 March 2022 have been calculated at 25% (2021: 19%).

10. INVESTMENTS

	Investments in subsidiary companies
Cost	£
At 1 April 2021	99,770,552
Additions	-
At 31 March 2022	99,770,552
Net book value	
At 31 March 2022	99,770,552
At 31 March 2021	99,770,552

Subsidiary undertakings

The following were subsidiary undertakings of the Company whose registered office address is Maybrook House, Second Floor, Queensway, Halesowen, B63 4AH:

Name	Country of incorporation	Class of shares	Holding	Principal activity
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

Name	Country of incorporation	Class of shares	Holding	Principal Activity
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
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 (Lydiat) 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
Homestyle Care Limited	United Kingdom	Ordinary	100%	Care provider
Transparent Care Limited	United Kingdom	Ordinary	100%	Care provider
Monpekson Care Limited	United Kingdom	Ordinary	100%	Care provider

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

The registered office of all the investments is Maybrook House, Second Floor, Queensway, Halesowen B63 4AH apart from those registered in the Channel Islands which is 26 New Street, St Helier, Jersey JE3 3RA.

ACCOMPLISH GROUP BIDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. DEBTORS

	2022	2021
	£	£
Due within one year		
Amounts owed by Group undertakings	55,563,706	53,683,699
Other debtors	5,551,538	5,420,066
Prepayments and accrued income	6,202	5,246
	<u>61,121,446</u>	<u>59,109,011</u>

Amounts owed by Group undertakings are unsecured, interest free and carry no fixed terms of repayment.

12. CREDITORS:

Amounts falling due within one year

	2022	2021
	£	£
Amounts owed to Group undertakings	143,478,832	125,976,835
Accruals and deferred income	519,382	582,686
Deferred consideration	-	508,653
	<u>143,998,214</u>	<u>127,068,174</u>

Amounts owed to Group undertakings are unsecured and carry no fixed terms of repayment. Interest is charged on £72,533,702 (2021: £67,772,601), due to fellow group company, Accomplish Group Midco Limited at 12%. All other intercompany balances are interest free.

ACCOMPLISH GROUP BIDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

**13. CREDITORS:
Amounts falling due after one year**

	2022 £	2021 £
Bank loan (note 20)	<u>97,322,277</u>	<u>96,767,303</u>

Included in the above are amounts falling due as follows:

	2022 £	2021 £
Between one and two years		
Bank loans	<u>-</u>	<u>-</u>
Between two and five years		
Bank loans	<u>97,322,277</u>	<u>96,767,303</u>
Over five years		
Bank loans	<u>-</u>	<u>-</u>

Bank loans

The bank debt is comprised of a Unitranche Loan, a Capex/Acquisition Facility and an Accordion Facility.

The Unitranche loan is for £70,000,000 (2021: £70,000,000), carries an interest rate of 5.25% (2021: 5.25%) plus LIBOR and is fully repayable in November 2025.

The Capex/Acquisition Facility is for £20,000,000 (2021: £20,000,000), of which £20,000,000 (2021: £20,000,000) was drawn down at year end to fund developments and acquisitions. The Facility carries interest of 5.25% (2021: 5.25%) plus LIBOR and is fully repayable in November 2025.

The Accordion Facility is capped at £20,000,000 of which £9,358,200 (2021: £9,358,200) was drawn down at year end to fund acquisitions. The Facility carries interest of 5.25% (2021: 5.25%) plus LIBOR and is fully repayable in November 2025.

All the facilities are secured against the properties held by the Group, with a floating charge over the other assets of the Group.

A total of £2,035,923 (2021: £2,591,000) unamortised bank debt arrangement fees have been offset against the liabilities above.

ACCOMPLISH GROUP BIDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. CALLED UP SHARE CAPITAL

	2022	2021
	£	£
Allotted, called up and unpaid		
27,084,610 (2021: 27,084,610) Ordinary shares of £1 (2021: £1)	<u>27,084,610</u>	<u>27,084,610</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. DEFERRED TAXATION

A deferred tax asset would be recognised to the extent that the Company makes future taxable profits which could not be satisfied by group relief. In accordance with the accounting policy, a deferred tax asset has not been recognised due to the uncertainty over the recoverability of the below.

	Assets 31 March 2022	Assets 31 March 2021
Unrecognised tax losses	<u>1,572,513</u>	<u>1,201,190</u>

17. 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 BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

18. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent company at 31 March 2022 was Accomplish Group Midco Limited.

In the opinion of the Directors, up to 25 March 2022, the ultimate parent undertaking and controlling party is considered to be Sundhet Holding SA. From 25 March 2022, the ultimate parent undertaking and controlling party is considered to be G Square Healthcare CV L.P.

Accomplish Group Mipco 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 Mipco Limited are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

19. EVENTS AFTER THE REPORTING DATE

On 1 July 2022, Accomplish Group merged with Keys Group (known as "Combined Group" henceforth). Keys Group provides residential, educational and transitional support ("leaving care") services to young people typically aged between eight and eighteen. Keys Group supports people who have emotional and behavioural difficulties, physical disabilities, learning disabilities and special educational needs. Keys Group operates throughout England and Wales. Accomplish and Keys are both owned by G Square.

As a result of this merger the existing banking facilities were replaced with a combined facility for the Combined Group. This consists of a £270m Unitranche Facility expiring on 1 July 2032, with access to a Committed Capex/Acquisition Unitranche Facility of £50m expiring on 1 July 2032 and a Revolving Credit Facility of £15m expiring on 1 July 2032. The Group still retains the £17m of £12% preference shares, however as part of the merger with Keys Group, the Preference shares are now redeemable on the 10th anniversary of the adoption date or on an exit.