

Registered number: 10128038

GIBSON PROPCO LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2019



GIBSON PROPCO LIMITED

COMPANY INFORMATION

Directors	J Balmer (appointed 20 August 2019) J Sage (appointed 22 April 2020) R Harvey (appointed 1 April 2019, resigned 22 May 2020) D Dalmedo (resigned 29 January 2020) H Atkar (resigned 31 January 2020)
Registered number	10128038
Registered office	244 Lambourne Road Lambwood Heights Chigwell IG7 6HX
Independent auditor	KPMG LLP 58 Clarendon Road Watford WD17 1DE
Accountants	RPG Crouch Chapman LLP 62 Wilson Street London EC2A 2BU

GIBSON PROPCO LIMITED

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GIBSON PROPCO LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Introduction

The directors present the strategic report and financial statements for the year ended 31 December 2019.

Business review

The company is an intermediate holding company. The directors do not currently envisage any significant changes in the company's activities in the foreseeable future.

Principal risks and uncertainties

Treasury operations and financial instruments

The primary financial instruments are a bank loan and intercompany loans. These arise directly from the group's trading operations and shareholder's support.

Liquidity risk

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

Credit risk

The principal financial assets are bank balances and cash, which represent the company's maximum exposure to credit risk in relation to financial assets.

Coronavirus Pandemic

In December 2019, the Coronavirus was first reported and subsequently spread around the world resulting in the UK government placing the majority of the UK on lockdown on 23 March 2020. The protection of our residents and team members is our key priority and the business moved decisively putting in place early safeguarding measures to ensure their ongoing protection. The Group has ensured that it will be well positioned to manage any challenges which may arise. These protections include approaching cash expenditure with a reduced risk appetite and taking steps to ensure there is headroom on the company's working capital requirements. As such, at the date of signing this report, the Board do not consider that the economic impact of the Coronavirus will have a significant impact on the financial statements or on the long term prospects of the business.

Financial key performance indicators

The board monitors the progress of the company by reference to its result before taxation and its net current assets and net asset position.

This report was approved by the board on 03 November 2020 and signed on its behalf.



J Sage
Director

GIBSON PROPCO LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Principal activity

The principal activity of the company was that of an intermediate holding company.

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.

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.

Results and dividends

The loss for the year, after taxation, amounted to £35,000 (2018 - loss £1,826,000).

Directors

The directors who served during the year were:

J Balmer (appointed 20 August 2019)
R Harvey (appointed 1 April 2019, resigned 22 May 2020)
D Dalmedo (resigned 29 January 2020)
H Atkar (resigned 31 January 2020)

GIBSON PROPCO LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The Company is part of the Gibson Topco Limited group (the "Group"). The Company is an intermediate holding company and holds the bank loan facility which is funding the development work in other group entities.

The Directors have prepared cash flow forecasts for a period to 31 December 2021 which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds, to meet its liabilities as they fall due for that period.

Those forecasts are dependent upon amounts owed by group undertakings being repaid, if required, to repay either the bank loans or amounts owed to group undertakings. If these were not repaid Gibson Topco Limited has indicated its intention to continue to make available such funds as are needed by the Company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The Directors of Gibson Topco have prepared cash flow forecasts, on a group wide basis, for a period to 31 December 2021 which indicate that, taking account of reasonably possible downsides, the Group will have sufficient funds, through its overdraft facility and under a severe, but plausible, downside scenario, funding from its ultimate parent company, to meet its liabilities as they fall due for that period.

However, continued support is dependent on the ability of the Group being able to settle its liabilities as they fall due. The Directors of the Group have concluded that no material uncertainty exists over the Group's ability to continue as a going concern as set out in Note 2.3 of the Gibson Topco Limited financial statements which are available on Companies House.

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.

Future developments

The directors are pleased to report that several developments in subsidiary undertakings have progressed in 2020 and that a healthy pipeline of potential sites is being actively pursued to maintain significant growth in future years.

Disclosure of information to auditor

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

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

GIBSON PROPCO LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

Post balance sheet events

The directors do not consider there to have been any post balance sheet events which require specific disclosure aside from the Corona virus pandemic as reputed in the Strategic Report on page 1.

Political contributions

The Company made no political donations or incurred any political expenditure during the year.

Proposed dividend

The directors do not recommend the payment of a dividend.

Auditor

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

This report was approved by the board on 03 November 2020 and signed on its behalf.



J Sage
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GIBSON PROPCO LIMITED

Opinion

We have audited the financial statements of Gibson Propco Limited ("the company") for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Statement of financial position, the Statement of changes in equity, the Analysis of Net Debt and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit 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.

Directors' responsibilities

As explained more fully in their statement set out on page 2, 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.

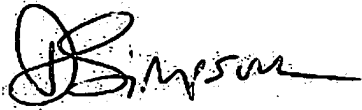
Auditor's responsibilities

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.

A handwritten signature in black ink, appearing to read 'D. Simpson', with a stylized, cursive script.

David Simpson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
58 Clarendon Road
Watford
WD17 1DE

5 November 2020

GIBSON PROPCO LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 £000	2018 £000
Administrative expenses		(539)	(327)
Intercompany loan waiver		-	(1,720)
Operating loss		(539)	(2,047)
Interest receivable and similar income	5	2,445	1,749
Interest payable and similar charges	7	(1,871)	(1,528)
Profit/(loss) before tax		35	(1,826)
Tax on profit/(loss)	6	-	-
Profit/(loss) for the financial year		35	(1,826)

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2019 (2018:£NIL).

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

GIBSON PROPCO LIMITED
REGISTERED NUMBER: 10128038

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £000	2018 £000
Fixed assets			
Investments	10	4,523	4,523
		<u>4,523</u>	<u>4,523</u>
Current assets			
Debtors: amounts falling due within one year	12	48,628	33,231
Cash at bank and in hand	11	1,780	968
		<u>50,408</u>	<u>34,199</u>
Creditors: amounts falling due within one year	13	(19,170)	(13,466)
Net current assets		<u>31,238</u>	<u>20,733</u>
Total assets less current liabilities		<u>35,761</u>	<u>25,256</u>
Creditors: amounts falling due after more than one year	14	(28,894)	(18,424)
Net assets		<u><u>6,867</u></u>	<u><u>6,832</u></u>
Capital and reserves			
Profit and loss account		<u>6,867</u>	<u>6,832</u>
		<u><u>6,867</u></u>	<u><u>6,832</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 03 November 2020



J Sage
Director

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

GIBSON PROPCO LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Profit and loss account £000	Total equity £000
At 1 January 2019	6,832	6,832
Comprehensive income for the year		
Profit for the year	35	35
At 31 December 2019	<u>6,867</u>	<u>6,867</u>

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

Note 17 provides further information with respect to the share cancellation during the year.

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

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2018	9,738	(810)	8,928
Comprehensive income for the year			
Loss for the year	-	(1,826)	(1,826)
Dividends: Equity capital	-	(270)	(270)
Purchase of own shares	-	9,738	9,738
Shares cancelled during the year	(9,738)	-	(9,738)
At 31 December 2018	<u>-</u>	<u>6,832</u>	<u>6,832</u>

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

GIBSON PROPCO LIMITED

ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2019

	At 1 January 2019 £000	Cash flows £000	At 31 December 2019 £000
Cash at bank and in hand	968	812	1,780
Debt due after 1 year	(18,424)	(10,470)	(28,894)
Debt due within 1 year	(184)	(150)	(334)
	<u>(17,640)</u>	<u>(9,808)</u>	<u>(27,448)</u>

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

GIBSON PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Gibson Propco Limited is a private company limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the principal activity is set out in the directors report.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

The following principal accounting policies have been applied:

2.2 Consolidated financial statements

The financial statements contain information about Gibson Propco Limited as an individual company and do not contain consolidated financial information as the parent of the group. The company has taken advantage of the exemption conferred by section 400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in EEA group accounts of a larger group.

GIBSON PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.3 Going Concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The Company is part of the Gibson Topco Limited group (the "Group"). The Company is an intermediate holding company and holds the bank loan facility which is funding the development work in other group entities.

The Directors have prepared cash flow forecasts for a period to 31 December 2021 which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds, to meet its liabilities as they fall due for that period.

Those forecasts are dependent upon amounts owed by group undertakings being repaid, if required, to repay either the bank loans or amounts owed to group undertakings. If these were not repaid Gibson Topco Limited has indicated its intention to continue to make available such funds as are needed by the Company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The Directors of Gibson Topco have prepared cash flow forecasts, on a group wide basis, for a period to 31 December 2021 which indicate that, taking account of reasonably possible downsides, the Group will have sufficient funds, through its overdraft facility and under a severe, but plausible, downside scenario, funding from its ultimate parent company, to meet its liabilities as they fall due for that period.

However, continued support is dependent on the ability of the Group being able to settle its liabilities as they fall due. The Directors of the Group have concluded that no material uncertainty exists over the Group's ability to continue as a going concern as set out in Note 2.3 of the Gibson Topco Limited financial statements which are available on Companies House.

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.

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Amounts owed by group undertakings 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.

GIBSON PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

Financial assets including cash at bank and trade and other debtors are measured initially at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities including trade and other creditors, as well as bank overdrafts, are measured initially at transaction price (including transaction costs) and subsequently held at amortised cost.

Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of cash or other consideration expected to be paid or received.

2.8 Creditors

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

2.9 Finance costs

Finance costs are charged to the Statement of Comprehensive Income 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.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.11 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.12 Financial risk management

Intercompany loan balances attract interest at a market rate equivalent to a commercial loan provided on similar terms. The interest is charged to the Statement of Comprehensive Income over the term of the debt on a monthly compounded interest basis.

Interest rate risk is managed by benchmarking intercompany loans against comparable commercial loans to ensure that current interest rate risk management strategies are appropriate.

The principal financial assets are bank balances and cash, which represent the company's maximum exposure to credit risk in relation to financial assets.

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

The Board of Directors monitor capital on the basis of the value of net assets attributable to redeemable shareholders.

2.13 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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.

GIBSON PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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

In preparing these financial statements, the directors have not had to make significant estimates or judgements that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

4. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2018 - £NIL).

The notional cost of the Directors not remunerated through this entity was non-consequential during the year.

5. Interest receivable

	2019 £000	2018 £000
Interest receivable from group companies	2,445	1,749
	<u>2,445</u>	<u>1,749</u>

GIBSON PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

6. Taxation

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £000	2018 £000
Profit/(loss) on ordinary activities before tax	35	(1,826)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	7	(347)
<u>Effects of:</u>		
Group relief surrendered	(7)	347
<u>Total tax charge for the year</u>	-	-

Reductions to the UK Corporation tax rates were substantially enacted as part of the Finance Bill (No 2) 2015 on 18 November 2015. This reduced the main rate to 19% from 1 April 2017 and to 18% from 1 April 2020.

A further reduction to the UK corporation tax was announced in the March 2016 budget reducing the main rate to 17% from 1 April 2020.

The deferred tax asset of £234,000 (2018: £13,000) has not been recognised as sufficient taxable profits are not expected in the foreseeable future.

7. Interest payable and similar expenses

	2019 £000	2018 £000
Bank interest payable	603	803
Loans from group undertakings	942	680
Amortisation of loan arrangement fees	326	45
	<u>1,871</u>	<u>1,528</u>

8. Dividends

	2019 £000	2018 £000
Interim dividends payable	-	270
	<u>-</u>	<u>270</u>

GIBSON PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

9. Intercompany loan waiver

	2019 £000	2018 £000
Waiver of intercompany loan	-	1,720
	-	1,720

Note 16 provides further information in relation to the loan waiver during the year.

10. Fixed asset investments

	Investments in subsidiary companies £000
<u>Cost</u>	
At 1 January 2019	4,523
At 31 December 2019	4,523

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Loughton Care Centre Limited	Property investment	Ordinary	100%
Plexcroft Limited	Property investment	Ordinary	100%
Lambourne Limited	Property investment	Ordinary	100%
Ravway Limited	Property investment	Ordinary	100%
Longprime2 Ltd	Property investment	Ordinary	100%
Oakland Guildford Care Home Limited	Property investment	Ordinary	100%
Oakland Swanley Care Home Limited	Property investment	Ordinary	100%
Oakland Maidstone Care Home Limited	Property investment	Ordinary	100%
Oakland Enfield Limited	Property investment	Ordinary	100%
Oakland Wantage Care Home Limited	Property investment	Ordinary	100%

All of the subsidiaries listed above registered office is 244 Lambourn Road, Lambwood Heights, Chigwell, IG7 6HX..

GIBSON PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

11. Cash and cash equivalents

	2019 £000	2018 £000
Cash at bank and in hand	1,780	968
	<u>1,780</u>	<u>968</u>

12. Debtors

	2019 £000	2018 £000
Amounts owed by group undertakings	48,348	32,969
Other debtors	280	262
	<u>48,628</u>	<u>33,231</u>

Amounts owed by group undertakings bear interest at 5.25% per annum and are repayable on demand.

All amounts shown under debtors fall due for payment within one year.

13. Creditors: Amounts falling due within one year

	2019 £000	2018 £000
Bank loans	334	184
Trade creditors	86	127
Amounts owed to group undertakings	18,219	12,709
Other creditors	200	-
Accruals and deferred income	331	446
	<u>19,170</u>	<u>13,466</u>

Amounts owed to group undertakings bear interest at 5.25% per annum and are repayable on demand.

GIBSON PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

14. Creditors: Amounts falling due after more than one year

	2019 £000	2018 £000
Bank loans	29,441	19,297
Unamortised loan arrangement costs	(547)	(873)
	<u>28,894</u>	<u>18,424</u>

15. Loans

Analysis of the maturity of loans is given below:

	2019 £000	2018 £000
<u>Amounts falling due within one year</u>		
Bank loans	334	184
	<u>334</u>	<u>184</u>
<u>Amounts falling due 2-5 years</u>		
Bank loans	29,441	19,297
Unamortised loan arrangement fee	(547)	(873)
	<u>28,894</u>	<u>18,424</u>
	<u>29,228</u>	<u>18,608</u>

16. Share capital

	2019 £	2018 £
<u>Allotted, called up and fully paid</u>		
100 (2018 - 100) Ordinary shares of £1.00 each	100	100

GIBSON PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

16. Share capital (continued)

The ordinary shares have attached to them full voting, dividend and capital distribution (including on winding up) right; they do not confer any rights of redemption.

On 19 April 2018 a special resolution was passed to reduce the issued £1 Ordinary share capital of the company from £9,737,756 to £100.

On 19 April 2018 a special resolution was passed to formalise in writing the unsecured loan of £1,719,754 made by the company to Hastings Court Limited.

On 24 April 2018 a special resolution was passed to terminate the 19 April 2018 formalised unsecured loan of £1,719,754 made by the company to Hastings Court Limited and to waive repayment of the loan.

17. Reserves

Called up share capital

Called up share capital reserve represents the nominal value of the company's shares.

Profit and loss account

Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

18. Related party transactions

The company has taken advantage of the exemption in Paragraph 33.1A of FRS102 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

During the prior period the group acquired Oakland Enfield Limited from entities associated with the Atkar family. The total consideration payable was £223,000 and the acquisition is a related party transaction as H Atkar is a director of the company and shareholder of the current ultimate parent company.

19. Post balance sheet events

In December 2019, the coronavirus was first reported and subsequently spread around the world resulting in the UK government placing the majority of the UK on lockdown on 23 March 2020. The directors have considered the impact of this on the Company's operations and consider that the impact did not materially affect the group during the period in lockdown. The directors have taken robust and quick action to protect the business, including reducing cash expenditure where possible and ensuring there is sufficient headroom in the company's working capital requirements. As such, at the date of signing this report, they do not consider that the economic impact of the coronavirus will have a significant impact on the financial statements.

GIBSON PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

20. Controlling party

The immediate parent company is Gibson Bidco Limited. Gibson Bidco Limited is owned by Gibson Topco Limited (the ultimate parent company).

The directors consider that the ultimate controlling party is Synova Capital GP III LP, by virtue of its majority shareholding in Gibson Topco Limited (the ultimate parent company).

Gibson Topco Limited is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 December 2019. A copy of the consolidated financial statements can be obtained from Companies House.