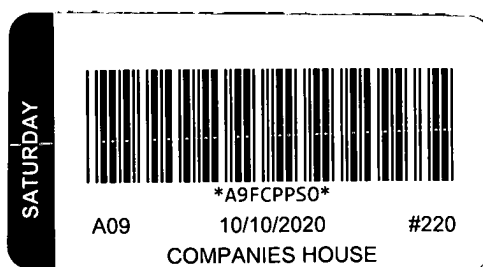


4AWH FINANCE LIMITED

ANNUAL REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2019



4AWH FINANCE LIMITED

COMPANY INFORMATION

Directors	A Acton (appointed 30 March 2019) A How (appointed 30 March 2019, resigned 23 January 2020) K Maddin (appointed 30 March 2019) E McNeil (appointed 7 November 2018) C Storr (appointed 23 July 2019) A Welsh (appointed 30 March 2019)
Registered number	11666266
Registered office	Cabot Square Capital LLP 1 Connaught Place London W2 2ET
Independent auditor	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

4AWH FINANCE LIMITED

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Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10 - 17

4AWH FINANCE LIMITED

**STRATEGIC REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2019**

Introduction

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

A review of the business, key performance indicators, principal risks and uncertainties financial instruments and future developments are all disclosed in the Group financial statements of 4AWH Holdings Limited as the ultimate parent company.

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

DocuSigned by:

Chris Storr

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C Storr

Director

Date: 6/8/2020 | 13:01 BST

4AWH FINANCE LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2019

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

Directors' responsibilities statement

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

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

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The loss for the period, after taxation, amounted to £445,832.

The directors do not recommend the payment of any dividend for the period.

Directors

The directors who served during the period are stated on the company information page.

Appointment of auditors

Hazlewoods LLP were appointed as auditors in the period and have expressed their willingness to continue in office.

4AWH FINANCE LIMITED

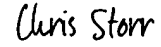
**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2019**

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.

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

DocuSigned by:

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C Storr
Director

Date: 6/8/2020 | 13:01 BST

4AWH FINANCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 4AWH FINANCE LIMITED

Opinion

We have audited the financial statements of 4AWH Finance Limited (the 'company') for the period ended 31 December 2019, which comprise the profit and loss account, the balance sheet, the statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, it is difficult to evaluate all of the potential implications of the current COVID-19 outbreak on the company's trade, employees, customers, suppliers and the wider economy.

4AWH FINANCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 4AWH FINANCE LIMITED (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

4AWH FINANCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 4AWH FINANCE LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

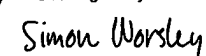
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

This report is made solely to the company's members 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 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 for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:



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Simon Worsley (Senior Statutory Auditor)

for and on behalf of
Hazlewoods LLP

Statutory Auditor

Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Date: 6/8/2020 | 18:00 BST

4AWH FINANCE LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2019**

		7 November 2018 to 31 December 2019 £
	Note	
Administrative expenses		(5)
Exceptional administrative expenses	6	(21,669)
Operating loss		<u>(21,674)</u>
Interest receivable	7	258,478
Interest payable	8	(682,636)
Loss before tax		<u>(445,832)</u>
Tax on loss	9	-
Loss for the financial period		<u><u>(445,832)</u></u>

There were no recognised gains and losses for the period ended 31 December 2019 other than those included in the profit and loss account.

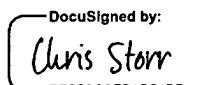
The notes on pages 10 to 17 form part of these financial statements.

4AWH FINANCE LIMITED
REGISTERED NUMBER: 11666266

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £
Investments		-
Current assets		
Debtors: amounts falling due after more than one year	11	19,203,098
Debtors: amounts falling due within one year	11	127,631
Cash at bank and in hand		1,710
		<u>19,332,439</u>
Creditors: amounts falling due within one year	12	<u>(62,402)</u>
Net current assets		<u>19,270,037</u>
Total assets less current liabilities		<u>19,270,037</u>
Creditors: amounts falling due after more than one year	13	(17,914,648)
Net assets		<u><u>1,355,389</u></u>
Capital and reserves		
Called up share capital	15	-
Capital redemption reserve	16	1,583,082
Profit and loss account	16	(227,693)
		<u><u>1,355,389</u></u>

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

DocuSigned by:

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C Storr
Director

Date: 6/8/2020 | 13:01 BST

The notes on pages 10 to 17 form part of these financial statements.

4AWH FINANCE LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2019**

	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£
Loss for the period	-	(445,832)	(445,832)
Capital contribution	1,801,221	-	1,801,221
Total comprehensive income for the period	1,801,221	(445,832)	1,355,389
Transfer to profit and loss account	(218,139)	218,139	-
At 31 December 2019	1,583,082	(227,693)	1,355,389

The notes on pages 10 to 17 form part of these financial statements.

4AWH FINANCE LIMITED

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

1. General information

4AWH Finance Limited is a limited company incorporated and domiciled in England and Wales. The company is a private company limited by shares. The address of its registered office is Cabot Square Capital LLP, 1 Connaught Place, London, W2 2ET.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements are prepared in Sterling (£) which is the functional currency of the company. The financial statements are for a period of 420 days from incorporation on 7 November 2018 to 31 December 2019.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement, complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

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 following principal accounting policies have been applied:

2.2 Disclosure exemptions

As permitted by FRS 102 section 1.12, the company has taken advantage of the disclosure exemptions available under the standard in relation to presentation of a cash flow and the aggregate remuneration of key management personnel. Where required, relevant disclosures are given in the group accounts of 4AWH Holdings Limited. The group accounts for 4AWH Holdings Limited are publicly available and can be obtained as set out in note 18.

2.3 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of 4AWH Holdings Limited, and is included in the consolidated accounts of that company.

2.4 Going concern

The directors have prepared cash flow forecasts which demonstrate that the company has sufficient finance facilities available to continue in business for a period of at least 12 months from the date of approval of the financial statements. On this basis the directors consider it appropriate to prepare financial statements on a going concern basis.

2.5 Investments

Investments in subsidiary undertakings are initially measured at cost and reviewed annually for impairment. If an impairment loss is identified, this is recognised immediately in the profit and loss account and the value of the investment is reduced accordingly.

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

4AWH FINANCE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019****2. Accounting policies (continued)****2.7 Borrowing costs**

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.8 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.

2.9 Financial instruments

The company only enters into basic financial instruments that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from banks and loans to and from related parties.

All basic financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

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

2.10 Share capital

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

2.11 Taxation

Tax is recognised in profit or loss 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 balance sheet date in the countries where the company operates and generates income.

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

There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Auditor's remuneration

	Period ended 31 December 2019 £
Fees payable to the company's auditor	1,500

4AWH FINANCE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019****5. Employees**

The company has no employees and staff costs are recharged by a fellow group company.

Directors are employed and remunerated through other group companies.

6. Exceptional items

**Period ended
31 December
2019
£**

Legal fees	21,669
------------	--------

During the period, the company incurred legal fees in respect of finance set-up fees.

7. Interest receivable

**Period
ended
31
December
2019
£**

Interest on amounts owed from group undertakings	258,478
--	---------

8. Interest payable

**Period ended
31 December
2019
£**

Loan note interest	590,459
--------------------	---------

Interest on amounts owed to group undertakings	92,177
--	--------

	682,636
--	---------

4AWH FINANCE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019****9. Taxation**

	Period ended 31 December 2019 £
Total current tax	-
Deferred tax	-
Total deferred tax	-
Taxation on profit on ordinary activities	-
Factors affecting tax charge for the period	

The tax assessed for the period is lower than the standard rate of corporation tax in the UK of 19%. The differences are explained below:

	Period ended 31 December 2019 £
(Loss)/profit on ordinary activities before tax	(445,832)
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19%	(84,708)
Effects of:	
Other timing differences	84,708
Total tax charge for the period	-

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

4AWH FINANCE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019****10. Fixed asset investments****2019
£****Cost and net book value**

At 31 December 2019

-

On 30 March 2019 the company acquired 100% share capital of 4AWH Care Group Limited for £0.01.

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
4AWH Care Group Limited	Ordinary	100%
* 4AWH Operations Limited	Ordinary	100%
* 4AWH P01 Limited	Ordinary	100%
* 4AWH P02 Limited	Ordinary	100%
* 4AWH P03 Limited	Ordinary	100%
** St Catherine's Homes Limited	Ordinary	100%
** Walton Manor Limited	Ordinary	100%

On 8 November 2018 4AWH Care Group Limited, a 100% owned subsidiary of 4AWH Finance Limited was incorporated. The principal activity is that of a intermediate holding company.

The principal activity of 4AWH Operations Limited is the operation of residential nursing care facilities.

The principal activity of St Catherine's Care Homes Limited and Walton Manor Limited are care homes.

The principal activity of other group members is to hold property on behalf of the group.

The registered offices of the above subsidiary undertakings are the same as for 4AWH Finance Limited, listed on the company information page.

* These shareholdings are indirectly held through 4AWH Care Group Limited.

** These shareholdings are indirectly held through 4AWH Operations Limited.

4AWH FINANCE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019****11. Debtors**

	2019 £
Due after more than one year	
Amounts owed by group undertakings	19,203,098
	<u>19,203,098</u>
Due within one year	
Other debtors	127,631
	<u>127,631</u>

12. Creditors: Amounts falling due within one year

	2019 £
Amounts owed to group undertakings	61,857
Other creditors	545
	<u>62,402</u>

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

	2019 £
Other loans (net of costs of raising finance)	12,557,370
Amounts owed to group undertakings	5,357,278
	<u>17,914,648</u>

4AWH FINANCE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019****14. Loans and borrowings****2019
£****Non-current loans and borrowings**

Other loans (net of costs of raising finance)	12,557,370
---	------------

The loan notes are secured by a debenture over the assets and undertakings of each company in the group.

Included in other loans are loan notes including zero coupon bonds of £1,201,787, and deep discount bonds of £11,598,190, due to management and investors, which are all repayable in full on 1 June 2028. These figures are stated net of costs of raising finance. Interest is charged on all the loan notes at a rate of 10% per annum. The costs associated with the raising of this finance which are being released to the profit and loss account over the term of the debt in accordance with FRS 102 total £242,607 and have been set off against the other loan balance.

15. Share capital**2019
£****Allotted, called up and fully paid**

1 Ordinary share of £0.01	-
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On 7 November 2018, 1 £0.01 Ordinary share was issued at par on incorporation.

16. Reserves**Share capital account**

The share capital account represents the nominal value of shares that have been issued.

Profit and loss account

The profit and loss account represents all current and prior periods retained profit and losses after the payment of dividends.

Capital redemption reserve

The reserve records the contributions made to the company by its parent company, less any distributions made by qualifying consideration.

4AWH FINANCE LIMITED

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

17. Related party transactions

Included in other loans are loan notes including zero coupon bonds of £13,511, and deep discount bonds of £128,000, due to management, which are all repayable in full on 1 June 2028. Interest is charged on all the loan notes at a rate of 10% per annum with interest accrued on the zero coupon bonds of £825 and £7,885 on the deep discount bonds.

Included in other loans are loan notes including zero coupon bonds of £1,201,787, and deep discount bonds of £11,598,190, due to management and investors. See note 14 for more information.

The company has taken advantage of the FRS 102 section 33.1A exemption from disclosing transactions with wholly owned group undertakings.

18. Ultimate parent undertaking and controlling party

The company is controlled by its ultimate parent company 4AWH Holdings Limited, a company registered in England and Wales. The largest and smallest group for which consolidated financial statements have been prepared is that headed by 4AWH Holdings Limited. Consolidated financial statements are available from Companies House, Crown Way, Cardiff, CF14 3UZ.