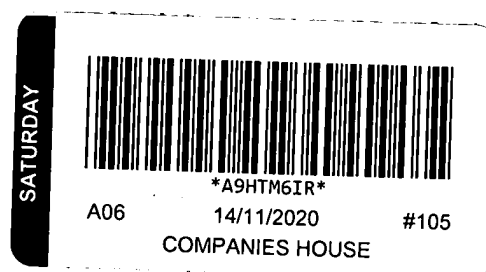


Registration number: 11702271

PINE BIDCO LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM 28 NOVEMBER 2018 TO 31 MARCH 2020

Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT



PINE BIDCO LIMITED

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PINE BIDCO LIMITED

COMPANY INFORMATION

| | |
|--------------------------|------------------------------|
| Directors | E J T Brett |
| | C I Cameron |
| | J A Cunningham |
| | S Hughes |
| | M J Puttick |
| | J Wilson-Kilgour |
| Registered office | Corinium House |
| | Barnwood Point Business Park |
| | Corinium Avenue |
| | Gloucester |
| Auditors | GL4 3HX |
| | Hazlewoods LLP |
| | Windsor House |
| | Bayshill Road |
| | Cheltenham |
| | GL50 3AT |

PINE BIDCO LIMITED

DIRECTORS' REPORT FOR THE PERIOD FROM 28 NOVEMBER 2018 TO 31 MARCH 2020

The directors present their report and the financial statements for the period from 28 November 2018 to 31 March 2020.

Incorporation

The company was incorporated on 28 November 2018 and commenced trading on 20 June 2019

Directors of the company

The directors who held office during the period were as follows:

E J T Brett (appointed 28 November 2018)

C I Cameron (appointed 20 June 2019)

J A Cunningham (appointed 20 June 2019)

S Hughes (appointed 20 June 2019)

S McMullan (appointed 20 June 2019 and resigned 21 July 2020)

M J Puttick (appointed 20 June 2019)

J Wilson-Kilgour (appointed 20 June 2019)

Financial instruments

Price risk, credit risk, liquidity risk and cash flow risk

The company's bank loans and loan notes are subject to price and liquidity risk as disclosed in note 10 to the financial statements..

The company has sufficient resources available and the directors have prepared forecasts for the next 12 months that indicate that this will continue to be the case and that these cash flows will be sufficient for the company to meet its financing commitments as they fall due. The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

Future developments

The external environment is expected to remain competitive going forward, however the directors remain confident that the company will improve on its current level of performance in the future. Further details are included in Pine Topco Limited's financial statements.

Disclosure of information to the auditors

Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Appointment of auditors

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

Approved by the Board on 25 September 2020 and signed on its behalf by:

Christine Cameron

.....
C I Cameron
Director

PINE BIDCO LIMITED

STRATEGIC REPORT FOR THE PERIOD FROM 28 NOVEMBER 2018 TO 31 MARCH 2020

The directors present their strategic report for the period from 28 November 2018 to 31 March 2020.

Principal activity

The principal activity of the company is as a debt holding company.

Fair review of the business

The results for the period, which are set out in the profit and loss account, show an operating loss of £570,102. At 31 March 2020, the company had net assets of £2,598,726. The directors consider the performance for the period and the financial position at the period end to be satisfactory.

Details of key performance indicators and principal risks and uncertainties are disclosed in the financial statements of the ultimate parent company.

Approved by the Board on 25 September 2020 and signed on its behalf by:

Christine Cameron

.....
C I Cameron
Director

PINE BIDCO LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report, Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 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.

PINE BIDCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PINE BIDCO LIMITED

Opinion

We have audited the financial statements of Pine Bidco Limited (the 'company') for the period from 28 November 2018 to 31 March 2020, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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.

PINE BIDCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PINE BIDCO LIMITED

Opinion on other matter 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 Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and 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 our 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 and the Directors' Report.

We have nothing to report in respect of the following matters where 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, 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.

PINE BIDCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PINE BIDCO LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Simon Worsley

.....
Simon Worsley (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House
Bayshill Road
Cheltenham
GL50 3AT

25 September 2020

PINE BIDCO LIMITED**PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 28 NOVEMBER 2018 TO 31 MARCH 2020**

| | Note | 28 November 2018 to 31 March 2020 £ |
|--|------|--|
| Turnover | | - |
| Administrative expenses | | (405,010) |
| Exceptional items | 3 | <u>(165,092)</u> |
| Operating loss | | (570,102) |
| Other interest receivable and similar income | 4 | 13,803 |
| Interest payable and similar charges | 5 | <u>(703,679)</u> |
| Loss before tax | | (1,259,978) |
| Taxation | 9 | <u>218,704</u> |
| Loss for the financial period | | <u><u>(1,041,274)</u></u> |

The above results were derived from continuing operations.

The company has no other comprehensive income for the period.

The notes on pages 11 to 19 form an integral part of these financial statements.

PINE BIDCO LIMITED

(REGISTRATION NUMBER: 11702271)
BALANCE SHEET AS AT 31 MARCH 2020

| | Note | 31 March 2020 £ |
|---|------|-------------------------|
| Fixed assets | | |
| Investments | 10 | <u>10,850,336</u> |
| Current assets | | |
| Debtors | 11 | 963,977 |
| Debtors: Amounts falling due after more than one year | 11 | 3,599,961 |
| Cash at bank and in hand | | <u>41</u> |
| | | 4,563,979 |
| Creditors: Amounts falling due within one year | 12 | <u>(560,644)</u> |
| Net current assets | | <u>4,003,335</u> |
| Total assets less current liabilities | | 14,853,671 |
| Creditors: Amounts falling due after more than one year | 12 | <u>(12,254,945)</u> |
| Net assets | | <u><u>2,598,726</u></u> |
| Capital and reserves | | |
| Called up share capital | 15 | 3,640,000 |
| Profit and loss account | | <u>(1,041,274)</u> |
| Total equity | | <u><u>2,598,726</u></u> |

Approved and authorised by the Board on 25 September 2020 and signed on its behalf by:

Christine Cameron

.....
 C I Cameron
 Director

The notes on pages 11 to 19 form an integral part of these financial statements.

PINE BIDCO LIMITED**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 28 NOVEMBER 2018 TO 31 MARCH 2020**

| | Share capital | Profit and loss | Total |
|------------------------------|----------------------|------------------------|------------------|
| | £ | account | £ |
| | £ | £ | £ |
| Loss for the period | - | (1,041,274) | (1,041,274) |
| New share capital subscribed | 3,640,000 | - | 3,640,000 |
| At 31 March 2020 | <u>3,640,000</u> | <u>(1,041,274)</u> | <u>2,598,726</u> |

The notes on pages 11 to 19 form an integral part of these financial statements.

PINE BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 28 NOVEMBER 2018 TO 31 MARCH 2020

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Corinium House
Barnwood Point Business Park
Corinium Avenue
Gloucester
GL4 3HX

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Summary of disclosure exemptions

The company has not presented a cash flow statement on the grounds that the company is a wholly owned subsidiary and a group cash flow statement is included in the financial statements of the ultimate parent company.

Name of parent of group

These financial statements are consolidated in the financial statements of Pine Topco Limited.

The financial statements of Pine Topco Limited may be obtained from Companies House.

Group accounts not prepared

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 requirements to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Pine Topco Limited, a company incorporated in England and Wales, and is included in the consolidated accounts of that company.

Disclosure of long or short period

The financial statements cover a period of 490 days. This is to bring the year end in line with that of its ultimate parent undertaking, Pine Topco Limited.

PINE BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 28 NOVEMBER 2018 TO 31 MARCH 2020

Going concern

In the period from acquisition of Aspirations Care Limited, Aspirations (Midlands) Limited, Maymask (183) Limited and New Start Supported Housing to the year end, the group generated revenues of £20,522,795 and operating profit of £1,263,820.

In assessing the Group's going concern position, the directors have considered the current and forecast trading and financial position of the Group, in addition to the current liquidity and available bank facilities.

A refinancing was completed during March 2020, replacing a portion of the Group's loan notes with £5m senior facilities from Clydesdale Bank Plc. in addition, a revolving facility of £1m is available to the Group. This facility remains undrawn and therefore represents additional liquidity beyond the cash balances currently held.

The forecast profit and loss, balance sheet and cash flows indicate the Group will continue to remain within its loan facility including the covenant requirements and has sufficient funding to meet its liabilities as they fall due.

Based on the forecasts, the directors have a reasonable expectation that the Group has adequate resources to continue its operations for the foreseeable future. They therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Judgements and estimation uncertainty

These financial statements do not contain any significant judgements or estimation uncertainty.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current 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 taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

PINE BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 28 NOVEMBER 2018 TO 31 MARCH 2020

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

PINE BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 28 NOVEMBER 2018 TO 31 MARCH 2020

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

PINE BIDCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 28 NOVEMBER 2018 TO 31 MARCH 2020****3 Exceptional items**

| | 28 November 2018 to 31 March 2020 £ |
|----------------------|--|
| Exceptional expenses | <u>165,092</u> |

Exceptional items in the current period consist of legal fees in connection with the refinancing that occurred in the year of £45,013, £45,000 of one off bank charges and various other non-recurring costs in respect of escrow claims and loan note listing fees.

4 Other interest receivable and similar income

| | 2020 £ |
|----------------------------------|-------------------|
| Interest income on bank deposits | <u>13,803</u> |

5 Interest payable and similar expenses

| | 2020 £ |
|--------------------------------|-------------------|
| Bank interest payable | 537 |
| Interest expense on loan notes | 458,142 |
| Debt costs amortisation | <u>245,000</u> |
| | <u>703,679</u> |

6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

| | 28 November 2018 to 31 March 2020 £ |
|--|--|
| Wages and salaries | 304,500 |
| Social security costs | 41,426 |
| Pension costs, defined contribution scheme | <u>1,864</u> |
| | <u>347,790</u> |

The average number of persons employed by the company (including directors) during the period, analysed by category was as follows:

| | 28 November 2018 to 31 March 2020 No. |
|----------------------------|--|
| Administration and support | <u>5</u> |

PINE BIDCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 28 NOVEMBER 2018 TO 31 MARCH 2020****7 Directors' remuneration**

The directors' remuneration for the period was as follows:

| | 2020 £ |
|--|----------------|
| Remuneration | 276,504 |
| Contributions paid to money purchase schemes | 1,319 |
| | <u>277,823</u> |

8 Auditors' remuneration

Auditors' remuneration has been borne by a fellow group company.

9 Taxation

Tax charged/(credited) in the profit and loss account

| | 28 November 2018 to 31 March 2020 £ |
|---|--|
| Current taxation | |
| Group relief | (132,762) |
| Deferred taxation | |
| Arising from origination and reversal of timing differences | <u>(85,942)</u> |
| Tax receipt in the income statement | <u>(218,704)</u> |

The tax on profit before tax for the period is lower than the standard rate of corporation tax in the UK of 19%.

The differences are reconciled below:

| | 2020 £ |
|---|--------------------|
| Loss before tax | <u>(1,259,978)</u> |
| Corporation tax at standard rate | (239,396) |
| Effect of expense not deductible in determining taxable profit (tax loss) | <u>20,692</u> |
| Total tax credit | <u>(218,704)</u> |
| Deferred tax | |
| Deferred tax assets and liabilities | |

| 2020 | Asset £ |
|--------------------|---------------|
| Deferred tax asset | <u>85,942</u> |

The company has taxable losses of £452,324 available to carry forward against future trading profits. A deferred tax asset has been included at 19%.

PINE BIDCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 28 NOVEMBER 2018 TO 31 MARCH 2020****10 Investments in subsidiaries, joint ventures and associates**

| | |
|---------------------------------|-------------------|
| | 2020 |
| | £ |
| Investments in subsidiaries | <u>10,850,336</u> |
| Subsidiaries | £ |
| Cost and carrying amount | |
| Additions and at 31 March 2020 | <u>10,850,336</u> |

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

| Undertaking | Registered office | Holding | Proportion of voting rights and shares held 2020 |
|----------------------------------|--------------------------|----------------|---|
| Subsidiary undertakings | | | |
| New Start Supported Housing | England and Wales | Ordinary | 100% |
| Maymask 183 Limited | England and Wales | Ordinary | 100% |
| Aspirations Care Limited | England and Wales | Ordinary | 100% |
| Aspirations (Midlands) Limited * | England and Wales | Ordinary | 100% |

* - held indirectly.

The principal activity of New Start Supported Housing is the provision of accommodation and support to adults with learning disabilities.

The principal activity of Maymask 183 Limited is as a dormant company.

The principal activity of Aspirations Care Limited is that of the provision of supported living services.

The principal activity of Aspirations (Midlands) Limited * is that of the provision of care activities.

11 Debtors

| | Note | 31 March 2020 |
|---------------------------------------|-------------|----------------------|
| | | £ |
| Amounts owed by group undertakings | | 3,599,961 |
| Other debtors | | 857,640 |
| Deferred tax assets | 9 | 85,942 |
| Directors loan account | | <u>20,395</u> |
| | | 4,563,938 |
| Less non-current portion | | <u>(3,599,961)</u> |
| Total current trade and other debtors | | <u>963,977</u> |

Details of non-current trade and other debtors

£3,599,961 of Amounts owed by group undertakings is classified as non-current.

PINE BIDCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 28 NOVEMBER 2018 TO 31 MARCH 2020****12 Creditors**

| | Note | 31 March 2020 £ |
|------------------------------------|-------------|----------------------------|
| Due within one year | | |
| Loans and borrowings | 13 | 400,000 |
| Trade creditors | | 41,232 |
| Accrued expenses | | 119,412 |
| | | <u>560,644</u> |
| Due after one year | | |
| Loans and borrowings | 13 | 6,553,846 |
| Accruals | | 141,636 |
| Amounts owed to group undertakings | | 5,559,463 |
| | | <u>12,254,945</u> |

13 Loans and borrowings

| | |
|---|-------------------|
| | 2020 £ |
| Current loans and borrowings | |
| Bank borrowings | <u>400,000</u> |
| | 2020 £ |
| Non-current loans and borrowings | |
| Bank borrowings | 4,495,000 |
| Other borrowings | <u>2,058,846</u> |
| | <u>6,553,846</u> |

The bank loans are secured by a charge over the assets and undertakings of each company in the group. Debt costs have been included of £105,000, with no amortisation charged during the year. These will be amortised over the term of the loan. The total gross bank loans included within the financial statements are £5,000,000.

The bank loan facilities fall due for repayment in March 2025, with quarterly instalments up to that date.

Included within other borrowings are loan notes of £2,058,846, which are repayable in full in 2026. Interest is accrued at 9% per annum (increasing to 12.5% from October 2020) and will be repaid in full along with the principal amounts in 2026. Debt costs of £245,000 have been written off in full during the year due to the refinancing that has been undertaken.

14 Pension and other schemes**Defined contribution pension scheme**

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £1,864.

PINE BIDCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 28 NOVEMBER 2018 TO 31 MARCH 2020****15 Share capital****Allotted, called up and fully paid shares**

| | 31 March 2020 | |
|----------------------------|---------------|----------|
| | No. | £ |
| Ordinary shares of £1 each | <u>1</u> | <u>1</u> |

16 Related party transactions

During the period, remuneration of £276,504 was paid to key management personnel and £1,319 employer pension contributions were also made.

The company has issued loan notes with a nominal value of £6,315,000 to Elysian Capital II LP and £435,000 to Elysian Capital Executive Management LP. The loan notes bear interest at 9% per annum (increasing to 12.5% per annum from October 2020). During the period, £4,691,155 were repaid on the receipt of successful bank loan financing. The Company and Elysian Capital LLP are related parties due to the existence of common members / directorships and because the private equity funds Elysian Capital II LP and Elysian Capital Management LLP which are managed by Elysian Capital LLP owns a controlling interest in Pine Topco Limited. Total interest payable during the year was £421,449 and £29,033 respectively and the total outstanding balance at year end is £2,058,672 and £141,809 respectively.

During the period, the company accrued monitoring fees of £45,666 to Elysian capital LLP. The total monitoring fees owing at 31 March 2020 amounted to £45,666.

17 Parent and ultimate parent undertaking

The company's immediate parent is Pine Midco Limited, incorporated in England and Wales.

The ultimate parent is Pine Topco Limited, incorporated in England and Wales.

The ultimate controlling party is Elysian Capital GP II LP.