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Registered number: FC028997

MILTON PARK HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

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MILTON PARK HOLDINGS LIMITED

CONTENTS

| | Page |
|--|---------------|
| Company Information | 1 |
| Strategic Report | 2 |
| Directors' Report | 3 – 4 |
| Statement of Comprehensive Income | 5 |
| Statement of Financial Position | 6 |
| Statement of Changes in Equity | 7 |
| Notes to the Financial Statements | 8 - 19 |

MILTON PARK HOLDINGS LIMITED

COMPANY INFORMATION

| | |
|------------------|--|
| Directors | M Ramsey (appointed 14 January 2019) R Craner S G Hullin |
|------------------|--|

| | |
|--------------------------|----------|
| Registered Number | FC028997 |
|--------------------------|----------|

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|--------------------------|---|
| Registered Office | 26 New Street St Helier Jersey JE3 3RA |
|--------------------------|---|

MILTON PARK HOLDINGS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2018

The directors present the Strategic Report of Milton Park Holdings Limited (the "Company") for the year ended 31 March 2018.

Principal risks and uncertainties

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

Financial key performance indicators

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

For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of Milton Park Holdings Limited.

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

The report was approved by the board on 27/03/2019 and signed on its behalf by.



R Craner
Director

MILTON PARK HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

The directors present their report and the audited financial statements of Milton Park Holdings Limited (the "Company") for the year ended 31 March 2018.

Principal activities

The principal activity of the Company is the ownership of investments in subsidiary entities involved in the provision of care services.

Results and dividends

The loss for the financial year was £3,254,267 (2017 (Restated): £3,856,708).

The directors do not recommend the payment of a dividend (2017: Nil).

Directors

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

M Ramsey (appointed 14 January 2019)
P J Battle (resigned 10 January 2019)
R Craner
S G Hullin

Qualifying third party indemnity provisions

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

Future development

Further details of future development are provided in the Strategic Report.

Financial risk management

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

MILTON PARK HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), comprising Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). 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 financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have 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.

This report was approved by the board on 27/03/19 and signed on its behalf by:



R Craner
Director

MILTON PARK HOLDINGS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2018**

| | Note | 2018 £ | 2017 Restated* £ |
|---|------|--------------------|------------------------|
| Turnover | 4 | 789,485 | 1,479,840 |
| Administrative expenses | | (4,029,219) | (5,323,139) |
| OPERATING PROFIT/(LOSS) | 5 | (3,239,734) | (3,843,299) |
| Exceptional income | 6 | 1,252,230 | - |
| Interest receivable and other similar income | | - | - |
| Interest payable and similar charges | 8 | (134,587) | (13,409) |
| Loss before tax | | (2,122,091) | (3,856,708) |
| Tax on profit/(loss) on ordinary activities | 9 | (1,132,176) | - |
| PROFIT/(LOSS) FOR THE FINANCIAL YEAR | | (3,254,267) | (3,856,708) |
| Total comprehensive income/(expense) for the financial year | | (3,254,267) | (3,856,708) |
| Profit/(loss) for the financial year attributable to: | | | |
| Owners of the parent Company | | (3,254,267) | (3,856,708) |
| | | (3,254,267) | (3,856,708) |
| Total comprehensive income/(expense) for the financial year attributable to: | | | |
| Owners of the company | | (3,254,267) | (3,856,708) |
| | | (3,254,267) | (3,856,708) |

The notes on pages 8 to 19 form part of these financial statements.

*Restated for change in accounting policy. See note 19.

MILTON PARK HOLDINGS LIMITED
REGISTERED NUMBER: FC028997

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018

| | | 2018 | 2017 |
|---|-------------|----------------------|------------------|
| | Note | £ | Restated* |
| | | | £ |
| FIXED ASSETS | | | |
| Intangible assets | 10 | - | 3,895,231 |
| Tangible assets | 11 | 6,525,374 | 6,505,654 |
| Investments | 12 | 10,415,487 | 10,415,487 |
| | | 16,940,861 | 20,816,372 |
| CURRENT ASSETS | | | |
| Debtors | 13 | 4,628,368 | 2,586,653 |
| CREDITORS: amounts falling due within one year | 14 | (19,052,513) | (17,632,042) |
| NET CURRENT (LIABILITIES)/ASSETS | | (14,424,145) | (15,045,389) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 2,516,716 | 5,770,983 |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 15 | 255,000 | 255,000 |
| Share premium | 16 | 190,736,320 | 190,736,320 |
| Profit and loss account | 16 | (188,474,604) | (185,220,337) |
| TOTAL SHAREHOLDERS' DEFICIT | | 2,516,716 | 5,770,983 |

The financial statements on pages 5 to 19 were approved and authorised for issue by the board and were signed on its behalf on 27/03/19 by:



R Craner
Director

The notes on pages 8 to 19 form part of these financial statements.

*Restated for change in accounting policy. See note 19.

MILTON PARK HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018**

| | Called up share capital £ | Share premium £ | Profit and loss account £ | Total shareholders' funds £ |
|--|--|--------------------------------|--|--|
| At 1 April 2017 (Restated *) | 255,000 | 190,736,320 | (185,220,337) | 5,770,983 |
| Comprehensive income for the financial year | | | | |
| Profit for the financial year | - | - | (3,254,267) | (3,254,267) |
| At 31 March 2018 | <u>255,000</u> | <u>190,736,320</u> | <u>(188,474,604)</u> | <u>2,516,716</u> |

FOR THE YEAR ENDED 31 MARCH 2017 (Restated *)

| | Called up share capital £ | Share premium £ | Profit and loss account £ | Total shareholders' funds £ |
|--|--|--------------------------------|--|--|
| At 1 April 2016 (as previously stated) | 255,000 | 190,736,320 | (177,129,958) | 13,861,362 |
| Change in accounting policy (see note 19) | - | - | (4,233,671) | (4,233,671) |
| At 1 April 2016 (Restated *) | 255,000 | 190,736,320 | (181,363,629) | 9,627,691 |
| Comprehensive income for the financial year | | | | |
| Profit for the financial year | - | - | (3,856,708) | (3,856,708) |
| At 31 March 2017 | <u>255,000</u> | <u>190,736,320</u> | <u>(185,220,337)</u> | <u>5,770,983</u> |

The notes on pages 8 to 19 form part of these financial statements.

*Restated for change in accounting policy. See note 19.

MILTON PARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. Statement of compliance

These financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 ("FRS 102"), the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006. The amendments to FRS 102 issued in December 2017 have been applied early.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

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

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

MILTON PARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2.2 Financial reporting standard 102 – reduced disclosure exemptions

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

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Accomplish Group Holdco Limited as at 31 March 2018 and these financial statements may be obtained from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

2.3 Related party transactions

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

2.4 Cash flow statement

The Company has taken advantage of the exemption from preparing a cash flow statement, as set out in FRS102 section 1 12, on the basis that its financial statements are included in the consolidated financial statement of Accomplish Group Holdco Limited.

2.5 Debtors

Short terms debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Creditors

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

MILTON PARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

| | |
|---------------------|---------------------|
| Plant and machinery | - 25% straight line |
| Buildings | - 2% straight line |

2.8 Turnover and revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably

2.9 Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Income Statement over its useful economic life of 10 years.

MILTON PARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2.10 Investment property

Investment property is recognised initially at cost inclusive of any directly attributable expenditure. The carrying value of investment property is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

2.11 Current and deferred taxation

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

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

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

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

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.

2.12 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.

MILTON PARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2.13 Financial Instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income Statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.14 Finance costs

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

MILTON PARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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

In the application of the Company's accounting policies, which are described in note 3 the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities, which are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis with revisions to accounting estimates being recognised in the period in which the estimate is revised, where that revision affects only the current or future accounting periods.

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

Carrying value of goodwill

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

Carrying value of property plant and equipment

Determining whether property plant and equipment is impaired requires an estimation of the value in use and if required, estimation of the fair value less costs of disposal. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the property plant and equipment and the application of a discount rate to calculate the present value.

4. Turnover

The whole of the turnover is attributable to the company's principle activity being the provision and operation of residential care homes.

All turnover arose within the United Kingdom.

MILTON PARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

5. Operating loss

The operating profit/(loss) is stated after (crediting)/charging:

| | 2018 | 2017 |
|-----------------------|-------------------------|------------------|
| | £ | Restated £ |
| Depreciation | 133,978 | 129,498 |
| Goodwill amortisation | <u>3,895,231</u> | <u>5,193,641</u> |

6. Exceptional items

| | 2018 | 2017 |
|--------------------|-------------------------|----------|
| | £ | £ |
| Exceptional income | <u>1,252,230</u> | <u>-</u> |

Exceptional income represents amounts recoverable in relation to a tax enquiry which was ongoing when the Company was purchased by Accomplish Group Bidco Limited in 2015. Any amounts payable relating to the pre-acquisition tax affairs of the Company are recoverable under the share purchase agreement.

7. Staff costs

The Company has no employees other than the directors, who did not receive any remuneration. The directors were remunerated by fellow group companies for their services to the group as a whole.

8. Interest payable and similar charges

| | 2018 | 2017 |
|------------------------|-----------------------|---------------|
| | £ | £ |
| Other interest payable | <u>134,587</u> | <u>13,409</u> |

MILTON PARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

9. Tax on profit on ordinary activities

| | 2018 £ | 2017 £ |
|-----------------|------------------|-----------|
| Corporation tax | <u>1,132,176</u> | <u>-</u> |

Factors affecting tax charge for the financial year

The tax assessed for the year is same as the standard rate of corporation tax in the UK of 20%.

| | 2018 £ | 2017 £ |
|--|--------------------|--------------------|
| Profit/(loss) on ordinary activities before tax | <u>(2,122,091)</u> | <u>(3,856,708)</u> |
| Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017: 20%) | <u>(403,197)</u> | <u>(771,342)</u> |
| Effects of: | | |
| Fixed asset differences | 25,456 | |
| Expenses not deductible for tax purposes | 39,981 | 276,817 |
| Income not taxable | (387,926) | (295,968) |
| Transfer pricing adjustments | (204,928) | (169,470) |
| Deferred tax movement not recognised | 539,835 | 145,402 |
| Group relief not paid for | 327,270 | 394,152 |
| Adjust to tax charge – previous periods | 1,132,176 | |
| Adjustment in rate – deferred tax | 63,509 | 420,409 |
| Total tax credit for the year | <u>1,132,176</u> | <u>-</u> |

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 18% (effective from 1 April 2020) was substantively enacted on 26 October 2015, and an additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future tax charge accordingly.

MILTON PARK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

10. Intangible assets

| | Goodwill £ |
|-----------------------------------|--------------------|
| Cost | |
| At 1 April 2017 and 31 March 2018 | <u>140,562,500</u> |
| Amortisation | |
| At 1 April 2017 | 136,667,269 |
| Charge for the year | <u>3,895,231</u> |
| At 31 March 2018 | <u>140,562,500</u> |
| Net book value | |
| At 31 March 2018 | <u>-</u> |
| At 31 March 2017 | <u>3,895,231</u> |

11. Tangible assets

| | Freehold property £ | Plant & machinery £ | Total £ |
|---------------------------------|---------------------------|---------------------------|------------------|
| Cost | | | |
| At 1 April 2017 (Restated) | 8,627,204 | 401,801 | 9,029,005 |
| Additions | <u>153,698</u> | - | <u>153,698</u> |
| At 31 March 2018 | 8,780,902 | 401,801 | 9,182,703 |
| Accumulated depreciation | | | |
| 1 April 2017 (Restated) | 2,121,550 | 401,801 | 2,523,351 |
| Charge in the year | <u>133,978</u> | - | <u>133,978</u> |
| At 31 March 2018 | 2,255,528 | 401,801 | 2,657,329 |
| Net book value | | | |
| At 31 March 2018 | <u>6,525,374</u> | - | <u>6,525,374</u> |
| At 1 April 2017 (Restated) | <u>6,505,654</u> | - | <u>6,505,654</u> |

See note 19 for details of the restatement.

MILTON PARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

12. Investments

| | Investments in subsidiary companies £ |
|-----------------------------------|--|
| Cost | |
| At 1 April 2017 and 31 March 2017 | <u>10,415,487</u> |
| Net book value | |
| At 31 March 2018 | 10,415,487 |
| At 31 March 2017 | <u>10,415,487</u> |

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

| Name | Country of incorporation | Class of shares | Holding Principal activity |
|--------------------------|-----------------------------|-----------------|-----------------------------|
| Moville Holdings Limited | Jersey | Ordinary | 100% Investor in Care Homes |
| Kemble Holdings Limited | Jersey | Ordinary | 100% Investor in Care Homes |

The directors consider the carrying value of investments to be supported by the underlying net assets.

13. Debtors

| | 2018 £ | 2017 £ |
|---|------------------|------------------|
| Amounts falling due within one year: | | |
| Amount owed by group undertakings | <u>4,628,368</u> | <u>2,586,653</u> |
| | <u>4,628,368</u> | <u>2,586,653</u> |

14. Creditors: Amounts falling due within one year

| | 2018 £ | 2017 £ |
|------------------------------------|-------------------|-------------------|
| Amounts owed to group undertakings | 17,224,733 | 17,071,026 |
| Corporation tax payable | 1,579,353 | 446,981 |
| Other creditors | 248,427 | 114,035 |
| | <u>19,052,513</u> | <u>17,632,042</u> |

MILTON PARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

15. Called up share capital

| | 2018 £ | 2017 £ |
|---|----------------|----------------|
| Allotted, called up and fully paid | | |
| 255,000 (2017: 255,000) Ordinary share of £1 each | <u>255,000</u> | <u>255,000</u> |

16. Reserves

Profit & loss account

The profit and loss account represents the accumulated profits, losses and distributions of the Company.

Share premium account

The share premium account represents amounts received on the issue of share capital in excess of the nominal value of share capital, less any costs incurred as a result of the issue.

17. Related party transactions

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

18. Ultimate parent undertaking and controlling party

The immediate parent company at 31 March 2018 was Accomplish Group Bidco Limited.

In the opinion of the directors, at 31 March 2018, the ultimate parent undertaking and controlling party is considered to be Sundhet Holding SA.

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

19. Change in accounting policy

As stated in the company's accounting policies, the amendments to FRS 102 issued in December 2017 effective from 1 January 2019 have been applied early.

Previously, properties that were used by other group companies were treated as investment properties. Investment properties were initially recognised at cost and subsequently, were revalued to fair value at each reporting date where fair value could be measured reliably without undue cost or effort. The fair value movement was recognised in the profit or loss in the period that it arose. No depreciation was charged on investment properties applying the fair value model.

MILTON PARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

19. Change in accounting policy (continued)

Subsequent to the amendments to FRS 102 issued in December 2017, these properties are now treated as tangible fixed assets, and included in the financial statements under the cost model, stated at historical cost less accumulated depreciation and any accumulated impairment losses (see 2.7).

Following this, the company has opted to align its treatment of properties to match that of the consolidated financial statements of Accomplish Group Holdco Limited, and record the properties at historical cost less accumulated depreciation.

This has been accounted for retrospectively in accordance with FRS 102 paragraph 10.12.

The result of the restatement on the 2017 financial year was to decrease the total tangible fixed assets value by £4,363,169, which included decreasing the investment properties value by £10,868,823, increasing the freehold property tangible fixed assets value by £6,505,654 and increasing the financial years' depreciation charge by £129,498.

| | 31 March 2016 Original £ | Adjustments (policy change) £ | 31 March 2016 Restated £ |
|-------------------------------------|---|--|---|
| Tangible assets – freehold property | - | 6,466,329 | 6,466,329 |
| Investment Properties | 10,700,000 | (10,700,000) | - |
| Profit and loss account | (177,129,958) | (4,233,671) | (181,363,629) |
| Profit for the financial year | (4,561,931) | (129,498) | (4,691,429) |

| | 31 March 2017 Original £ | Adjustments (policy change) £ | 31 March 2017 Restated £ |
|-------------------------------------|---|--|---|
| Tangible assets – freehold property | - | 6,505,654 | 6,505,654 |
| Investment Properties | 10,868,823 | (10,868,823) | - |
| Profit and loss account | (180,857,168) | (4,363,169) | (185,220,337) |
| Profit for the financial year | (3,727,210) | (129,498) | (3,856,708) |