

Registered number: 05003339

ACCOMPLISH GROUP PROPERTY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019



ACCOMPLISH GROUP PROPERTY LIMITED

CONTENTS

	Page
Company Information	1
Strategic Report	2
Directors' Report	3 – 5
Independent Auditor's Report to the members of Accomplish Group Property Limited	6 - 7
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11 - 25

ACCOMPLISH GROUP PROPERTY LIMITED

COMPANY INFORMATION

Directors	M Ramsey V Cooper A Smith
Registered Number	05003339
Registered Office	Ground Floor 2 Parklands Great Park Rubery Birmingham B45 9PZ
Independent Auditor	KPMG LLP Statutory Auditor One Snowhill Snow Hill Queensway Birmingham B4 6GH

ACCOMPLISH GROUP PROPERTY LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2019

The directors present the Strategic Report of Accomplish Group Property Limited (the "Company") for the year ended 31 March 2019.

Business review

The directors manage the various businesses of Accomplish Group Holdco Limited Group (the "Group") on a group, rather than an individual company basis. As such, a separate business review for the Company has not been prepared, but a group review can be found 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.

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of Accomplish Group Holdco Limited, 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.

The Group has considered the potential impact of the United Kingdom's ("UK") exit from the European Union including a review of guidance issued from the Department of Health and Social Care. Due to the fact that the Group operates only within England and Wales and has minimal reliance on import or export transactions with other countries within the European Union the specific risk to the group arising from the UK's exit is currently assessed as low but will continue to be monitored as plans become clearer.

Financial key performance indicators

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

For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of Accomplish Group Property 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 18/12/2019

and signed on its behalf by:



V Cooper
Director

ACCOMPLISH GROUP PROPERTY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The directors present their annual report and the financial statements of Accomplish Group Property Limited (the "Company") for the year ended 31 March 2019.

Principal activity

The principal activity of the Company is the ownership of property and investments in subsidiary companies, involved in the provision of residential care services.

Results and dividends

The loss for the financial year was £1,383,887 (2018: £533,628). The directors do not recommend the payment of a dividend (2018: Nil).

Directors

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

P J Battle (Resigned 10th January 2019)
R Craner (Resigned 13th September 2019)
S G Hullin (Resigned 30th April 2019)
A Smith
M Ramsey (Appointed 14th January 2019)
V Cooper (Appointed 13th September 2019)

Future development

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.

Qualifying third party indemnity provisions

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors.

Financial risk management

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

ACCOMPLISH GROUP PROPERTY LIMITED

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

Going Concern

The directors have considered the use of the going concern basis in the preparation of the financial statements. The Group in which Accomplish Group Property Limited is a member is financed by a combination of shareholder and other loans.

At 31 March 2019, the directors assessed the performance of the Group against its facilities and have confirmed that the Group has met its loan covenants. Following the refinancing of the Group, completed on 29 November 2018, the directors have prepared cash flow forecasts for at least 12 months from the date of the approval of these financial statements which indicate that the Group will meet its loan covenant requirements for the foreseeable future and at least 12 months from the date of approval of these financial statements and generate sufficient cash to pay its liabilities as they fall due, including financing cash flows. The Group has considered the potential impact of the United Kingdom's ("UK") exit from the European Union including a review of guidance issued from the Department of Health and Social Care. Due to the fact that the Group operates only within England and Wales and has minimal reliance on import or export transactions with other countries within the European Union the specific risk to the group arising from the UK's exit is currently assessed as low but will continue to be monitored as plans become clearer. The directors' assessment of both forecast requirements and expected performance against loan covenants covers a period of at least 12 months from the date of this report and therefore the financial statements have been prepared on a going concern basis.

DISCLOSURE OF INFORMATION TO AUDITORS

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

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

INDEPENDENT AUDITOR

Under section 487(2) of the Companies Act 2006, KPMG LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier

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

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

ACCOMPLISH GROUP PROPERTY LIMITED

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

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

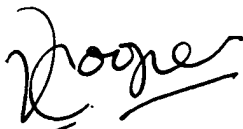
Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

This report was approved by the board on 18/12/2019 and signed on its behalf by:



V Cooper
Director

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

Opinion

We have audited the financial statements of Accomplish Group Property Limited ("the company") for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 3.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as recoverability of assets and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCOMPLISH GROUP PROPERTY LIMITED (CONTINUED)

Strategic report and directors' report (continued)

- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4-5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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



Craig Parkin (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill, Snow Hill Queensway
B4 6GH
Birmingham
United Kingdom

Date: 19th December 2019

ACCOMPLISH GROUP PROPERTY LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019**

	Note	2019	2018
		£	£
Turnover		-	-
Gross profit		-	-
Administrative expenses		(725,015)	(538,125)
<i>Analysed between:</i>			
Administrative expenses		707,048	(531,140)
Exceptional administrative expenses	5	17,967	(6,985)
Interest payable and similar charges	6	(599,810)	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAX	7	(1,324,825)	(538,125)
Tax on loss on ordinary activities	10	(59,062)	4,497
LOSS FOR THE FINANCIAL YEAR		(1,383,887)	(533,628)
Total comprehensive loss for the financial year		(1,383,887)	(533,628)

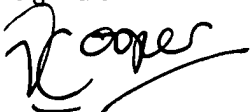
The notes on pages 11 to 24 form part of these financial statements.

ACCOMPLISH GROUP PROPERTY LIMITED
REGISTERED NUMBER: 05003339

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

		2019	2018
	Note	£	£
FIXED ASSETS			
Tangible assets	11	49,607,577	34,561,852
Investments	12	21,375,362	21,375,362
		<u>70,982,939</u>	<u>55,937,214</u>
CURRENT ASSETS			
Debtors	13	531,779	128,840
Cash at bank and in hand	14	-	1
		<u>531,779</u>	<u>128,841</u>
CREDITORS: amounts falling due within one year	15	<u>(72,905,674)</u>	<u>(84,415,784)</u>
NET CURRENT (LIABILITIES)		<u>(72,373,895)</u>	<u>(84,286,943)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,390,956)</u>	<u>(28,349,729)</u>
CREDITORS: amount falling due after one year	17	(28,283,598)	-
Provision for liabilities			
Deferred tax	16	(490,435)	(431,373)
NET (LIABILITIES)		<u>(30,164,989)</u>	<u>(28,781,102)</u>
CAPITAL AND RESERVES			
Called up share capital	19	1,199	1,199
Share premium account	20	315,103	315,103
Profit and loss account	20	(30,481,291)	(29,097,404)
TOTAL SHAREHOLDERS' DEFICIT		<u>(30,164,989)</u>	<u>(28,781,102)</u>

The financial statements on pages 8 to 24 were approved and authorised for issue by the board and were signed on its behalf on 18/12/2019 by:



V Cooper
Director

The notes on pages 11 to 24 form part of these financial statements.

ACCOMPLISH GROUP PROPERTY LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019**

	Called up share capital £	Share premium account £	Profit and loss account £	Total shareholders' funds £
At 1 April 2018	1,199	315,103	(29,097,404)	(28,781,102)
Comprehensive loss for the financial year	-	-	(1,383,887)	(1,383,887)
Loss for the financial year				
At 31 March 2019	<u>1,199</u>	<u>315,103</u>	<u>(30,481,291)</u>	<u>(30,164,989)</u>

FOR THE YEAR ENDED 31 MARCH 2018

	Called up share capital £	Share premium account £	Profit and loss account £	Total shareholders' funds £
At 1 April 2017	1,199	315,103	(28,563,776)	(28,247,474)
Comprehensive loss for the financial year	-	-	(533,628)	(533,628)
Loss for the financial year				
At 31 March 2018	<u>1,199</u>	<u>315,103</u>	<u>(29,097,404)</u>	<u>(28,781,102)</u>

The notes on pages 11 to 24 form part of these financial statements.

ACCOMPLISH GROUP PROPERTY LIMITED

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

1. General information

Accomplish Group Property Limited (the "Company") owns property and investments in subsidiary companies, involved in the provision of residential care services.

The Company is a private company limited by shares and is incorporated in the England, domiciled and registered in the United Kingdom. The Company's registration number is 05003339. The address of its registered office is: Ground Floor, 2 Parklands, Great Park, Rubery, Birmingham, B45 9PZ.

2. Statement of compliance

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

3. Accounting policies

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

3.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Company's accounting policies (see note 4).

3.2 Financial reporting standard 102 – reduced disclosure exemptions

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

- the requirements of Section 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;

ACCOMPLISH GROUP PROPERTY LIMITED

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

3.2 Financial reporting standard 102 – reduced disclosure exemptions (continued)

- 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 2019 and these financial statements may be obtained from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

3.3 Going concern

The directors have considered the use of the going concern basis in the preparation of the financial statements. The Group in which Accomplish Group Property Limited is a member is financed by a combination of shareholder and other loans.

At 31 March 2019, the directors assessed the performance of the Group against its facilities and have confirmed that the Group has met its loan covenants. Following the refinancing of the Group, completed on 29 November 2018, the directors have prepared cash flow forecasts for at least 12 months from the date of the approval of these financial statements which indicate that the Group will meet its loan covenant requirements for the foreseeable future and at least 12 months from the date of approval of these financial statements and generate sufficient cash to pay its liabilities as they fall due, including financing cash flows. The Group has considered the potential impact of the United Kingdom's ("UK") exit from the European Union including a review of guidance issued from the Department of Health and Social Care. Due to the fact that the Group operates only within England and Wales and has minimal reliance on import or export transactions with other countries within the European Union the specific risk to the group arising from the UK's exit is currently assessed as low but will continue to be monitored as plans become clearer. The directors' assessment of both forecast requirements and expected performance against loan covenants covers a period of at least 12 months from the date of this report and therefore the financial statements have been prepared on a going concern basis.

3.4 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.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company.

ACCOMPLISH GROUP PROPERTY LIMITED

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

3.4 Tangible fixed assets (continued)

The carrying amount of the replaced part is derecognized. Repairs and maintenance are charged to profit or loss during the period in which they are incurred. 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:

Freehold Property	- 2% straight line
Leasehold property and improvements	- over the term of lease
Fixtures and fittings	- 20% straight line

The assets residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within 'operating profit' in the Statement of Comprehensive Income.

3.5 Valuation of investments

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

3.6 Debtors

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

3.7 Cash and cash equivalents

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

ACCOMPLISH GROUP PROPERTY LIMITED

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

3.8 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.

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.

ACCOMPLISH GROUP PROPERTY LIMITED

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

3.9 Creditors

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

3.10 Finance costs

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

3.11 Interest income

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

3.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the company becomes aware of the obligation, and are measure at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

ACCOMPLISH GROUP PROPERTY LIMITED

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

3.13 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.

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.

3.14 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.

ACCOMPLISH GROUP PROPERTY LIMITED

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

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

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

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 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.

Recognition and subsequent measurement loans

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

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

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

Deferred tax

The recognition of deferred tax is subject to a number of judgements and estimates. In relation to the significant unrecognised deferred tax asset in respect of losses, its constituent parts include losses of differing natures which have arisen over time. As a result, there is insufficient certainty as to whether profits will arise in the same manner as that in which the losses have been incurred, and whether the nature of the brought forward losses and the profits realised are such that they can be offset against each other in order for a deferred tax asset to be recognised.

ACCOMPLISH GROUP PROPERTY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

5. Exceptional items

	2019	2018
	£	£
Aborted project expenditure	<u>17,967</u>	<u>6,985</u>

6. Interest payable and similar charges

	2019	2018
	£	£
Interest on bank and other loans	<u>599,810</u>	<u>-</u>

7. Operating loss

The operating loss is stated after charging:

	2019	2018
	£	£
Depreciation of tangible fixed assets	<u>691,591</u>	<u>531,663</u>

8. Auditor's remuneration

	2019	2018
	£	£
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	13,000	10,000
Fees payable to the company's auditor and its associates in respect of:		
Taxation compliance services	<u>5,000</u>	<u>3,000</u>

9. Directors' remuneration

The Company has no employees other than the directors.

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

	2019	2018
	£	£
Aggregate directors' emoluments	24,000	23,000
Company contributions to defined contribution pension schemes	<u>3,000</u>	<u>2,000</u>
	<u>27,000</u>	<u>25,000</u>

ACCOMPLISH GROUP PROPERTY LIMITED

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

10. Tax on loss on ordinary activities

Deferred tax

	2019 £	2018 £
Origination and reversal of timing differences	59,062	(4,497)
Total deferred tax	59,062	(4,497)
Tax on loss on ordinary activities	59,062	(4,497)

	2019 £	2018 £
Loss on ordinary activities before tax	(1,324,825)	(538,125)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	(251,717)	(102,244)
Effects of:		
Expenses not deductible for tax purposes	-	1,227
Fixed asset differences	120,134	95,546
Effects of group relief/other reliefs	159,943	1,139,798
Transfer pricing adjustments	-	(1,139,353)
Effect of UK tax rate changes	(2,985)	529
Prior period adjustment – deferred tax	33,687	-
Total tax (credit) / charge for the year	59,062	(4,497)

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 19% to 18% (effective from 1 April 2020) was substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the Company's future current tax charge accordingly. Deferred tax at the balance sheet date has been calculated based on these rates.

ACCOMPLISH GROUP PROPERTY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

11. Tangible assets

	Freehold Property	Leasehold property and improvements	Fixtures & fittings	Total
	£	£	£	£
Cost				
1 April 2018	36,242,047	47,809	153,003	36,442,859
Additions	15,714,708	-	22,608	15,737,316
At 31 March 2019	51,956,755	47,809	175,611	52,180,175
Accumulated depreciation				
1 April 2018	1,734,934	39,373	106,700	1,881,007
Charge for the year	660,498	227	30,866	691,591
At 31 March 2019	2,395,432	39,600	137,566	2,572,598
Net book value				
At 31 March 2019	49,561,323	8,209	38,045	49,607,577
At 31 March 2018	34,507,113	8,436	46,303	34,561,852

During the year, the Group reorganised its properties. Accomplish Group Property Limited acquired freehold property from other group companies at market value.

ACCOMPLISH GROUP PROPERTY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

12. Investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2018	21,375,362
At 31 March 2019	<u>21,375,362</u>
Net book value	
At 31 March 2019	<u>21,375,362</u>
At 31 March 2018	<u>21,375,362</u>

The directors consider the carrying value of investments to be supported by the underlying net assets and expected future cash flows.

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding
Accomplish Group Limited*	England and Wales	Ordinary	100%
Tracscare 2005 Limited*	England and Wales	Ordinary	100%

Registered addresses:

*Ground Floor, 2 Parklands, Rubery, United Kingdom, B45 9PZ

ACCOMPLISH GROUP PROPERTY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

13. Debtors

	2019 £	2018 £
Amounts owed from group undertakings	309,188	128,756
Prepayments and accrued Income	<u>222,591</u>	<u>84</u>
	<u>531,779</u>	<u>128,840</u>

Amounts owed by group undertakings are unsecured, interest free and carry no fixed terms of repayment other than being due in less than one year.

14. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>-</u>	<u>1</u>

15. Creditors: Amounts falling due within one year

	2019 £	2018 £
Amounts owed to group undertakings	72,865,018	84,286,302
Trade creditors	40,117	129,482
Accruals and deferred income	<u>539</u>	<u>-</u>
	<u>72,905,674</u>	<u>84,415,784</u>

Amounts owed to group undertakings are unsecured, interest free and carry no fixed terms of repayment other than being due in less than one year.

16. Deferred taxation

	2019 £	2018 £
At beginning of year	431,373	435,870
(Credited)/Debited to the profit or loss	59,062	(4,497)
	<u>490,435</u>	<u>431,373</u>

The deferred taxation liability is made up as follows:

	2019 £	2018 £
Fixed asset timing differences	490,435	431,373
	<u>490,435</u>	<u>431,373</u>

ACCOMPLISH GROUP PROPERTY LIMITED

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

17. Creditors: Amounts falling due after one year

	2019 £	2018 £
Bank and other loans (see note 18)	<u>28,283,598</u>	<u>-</u>
	<u>28,283,598</u>	<u>-</u>

18. Loans

	2019 £	2018 £
Amounts falling due in more than five years	<u>28,283,598</u>	<u>-</u>
	<u>28,283,598</u>	<u>-</u>

Bank and other loans

On 29th November 2018, the Group completed a re-financing of its main bank loans. As part of the re-financing, the group now holds £28,284,000 secured ground rent lease funding with Alpha Real Capital LLC, charged at an effective interest rate of 6.4%, which includes an inflation increase of 3% per annum. The lease for the ground rent funding runs for 150 years, with an option to re-purchase. The ground rent leases enable group companies to occupy the properties and are considered to represent, in substance, secured borrowing, in line with accounting standards.

19. Called up share capital

	2019 £	2018 £
Shares classified as equity		
Allotted, called up and fully paid		
96,248 (2018: 96,248) A ordinary shares of £0.01 (2018: £0.01) each	963	963
18,333 (2018: 18,333) Ordinary shares of £0.01 (2018: £0.01) each	183	183
5,326 (2018: 5,326) B ordinary shares of £0.01 (2018: £0.01) each	53	53
	<u>1,199</u>	<u>1,199</u>

20. Reserves

Share premium account

The share premium account represents the amount subscribed for share capital in excess of the nominal value.

ACCOMPLISH GROUP PROPERTY LIMITED

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

20. Reserves (continued)

Profit & loss account

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

21. Cross company guarantee

The Company is bound by unlimited multilateral cross guarantees with Accomplish Group Bidco Limited in respect of bank and loan note borrowings. The maximum amount for which the Company would become liable at the balance sheet date as a result of this arrangement was £77,904,000 (2018: £93,600,000).

22. 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.

23. Parent company and ultimate controlling party

The immediate parent company at 31 March 2019 was Accomplish Group Bidco Limited.

In the opinion of the directors, at 31 March 2019, the ultimate parent undertaking and controlling party is considered to be Sundhët 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.