

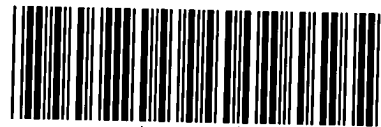
**Company Registration No. 05712186**

**By the Bridge Holdings Limited**

**Annual Report and Financial Statements**

**For the year ended 31 December 2017**

**TUESDAY**



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# **By the Bridge Holdings Limited**

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## **By the Bridge Holdings Limited**

### **Officers and professional advisers**

#### **Directors**

M S Asaria  
A M Carrie  
A Kang  
P J Surridge  
L M Webb

#### **Company secretary**

C Aphorpe (appointed 3 March 2017)  
F Jardine (resigned 3 March 2017)

#### **Registered office**

4th Floor, Waterfront Building  
Chancellors Road  
Hammersmith Embankment  
London  
W6 9RU

#### **Solicitors**

Trowers & Hamblins LLP  
3 Bunhill Row  
London  
EC1Y 8YZ

#### **Auditor**

Deloitte LLP  
Statutory Auditor  
London  
United Kingdom  
EC4A 3BZ

## By the Bridge Holdings Limited

### Strategic report

The Directors present the Strategic report for By the Bridge Holdings Limited (“the Company”) together with the audited financial statements for the year ended 31 December 2017.

#### Principal activity

The principal activity of the company in the period under review was that of the holding investments in companies providing services to foster parents and local authorities.

#### Review of the business

The Profit and loss account of the Company is set out on page 9.

The Company’s Key Performance Indicators (“KPIs”) are net assets and profit before tax:

	Year ended 31 December 2017	Year ended 31 December 2016	Movement
Net assets	23,439,048	22,988,940	2.0%
Profit/(loss) before tax	557,382	(35,512)	1,669.6%

Non-financial KPIs are not material for the company as they are reviewed on a Group basis.

The increased profit before tax in the the current year is as a result of an increased interest receivable following a higher fixed receivable balance.

Details of significant events since the balance sheet date are contained in the Director’s report.

#### Business risks and strategy

There is a risk because of the possible diminution of the value of the Company’s investments in underlying entities. The Company’s subsidiaries rely on publicly funded entities in the UK for substantially all of its revenues and the loss, reduction to such funding, or changes to procurement methods, could negatively impact the Company’s subsidiaries. The key business risks and uncertainties affecting its subsidiaries are considered to be competition from other foster care service companies, the economic outlook and foster parent retention. These risks are formally considered by the Board and appropriate processes put in place to monitor and mitigate them.

Its subsidiaries operate in a highly regulated business environment, which is subject to political and regulatory scrutiny. Failure to comply with regulations or the introduction of new regulations or standards with which its subsidiaries do not comply could lead to substantial penalties, including the loss of registration on some or all of its subsidiary’s facilities. The Company’s subsidiaries mitigate this risk by focussing on quality of care for its service users and consistently maintain high regulatory scores from its regulators.

Entities have large intergroup balances which could negatively impact going concern. This risk is mitigated through the confirmation from the intermediate holding company Cambian Group Holdings Limited, that for at least twelve months from the date of approval of these financial statements, that it will provide financial support to Group companies.

The Company is a wholly-owned subsidiary of the ultimate holding company, Cambian Group Plc., which is listed on the London Stock Exchange. Details of the Group’s business risks and strategy can be reviewed in the Annual Report which is available on the Group’s website (note 13).

Approved by the Board and signed on its behalf by



A Kang  
Director

27 April 2018

# **By the Bridge Holdings Limited**

## **Directors' report**

The Directors present their annual report on the affairs of By the Bridge Holdings Limited ('the Company'), together with the financial statements and auditor's report, for the year ended 31 December 2017.

### **Going concern**

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least twelve months after signing. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in note 2 of the financial statements.

### **Future plans**

The Company plans to continue to act as a holding company for the subsidiaries listed in note 8. Further details of the Group's future plans can be found in the Group's annual report which can be obtained as set out in note 13.

### **Financial risk management objectives and policies**

The Company's activities may expose it to a number of financial risks, including credit risk and liquidity risk.

#### ***Credit risk***

The Company's credit risk arises primarily from dealings with wholly-owned entities within the Cambian Group of companies. As such this risk is not viewed as significant.

#### ***Liquidity risk***

This risk is not viewed as significant as the Company monitors its cash flow forecasts on a regular basis and is fully supported by the Cambian Group.

### **Post balance sheet events**

There have been no significant events after the balance sheet date in the current year.

### **Dividends**

The Directors did not recommend a final dividend (2016: £nil). There was no interim dividend paid in 2017 (2016: £nil).

### **Directors**

The Directors, who served during the year except as noted, were as follows:

M S Asaria

A M Carrie

J August (resigned 28 July 2017)

A Kang (appointed 12 July 2017)

P J Surridge (appointed 28 July 2017)

L M Webb (appointed 19 January 2018)

### **Director's indemnities**

The Company has made qualifying third party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of this report.

## By the Bridge Holdings Limited

### Directors' report (continued)

#### Auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be deemed reappointed as auditor under s487 of the Companies Act 2006 unless the members exercise their statutory rights to prevent reappointment.

Approved by the Board and signed on its behalf by:



A Kang  
Director

27 April 2018

## **By the Bridge Holdings Limited**

### **Directors' responsibilities statement**

The Directors are responsible for preparing the annual 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), including FRS 101 "Reduced Disclosure Framework". 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statement may differ from legislation in other jurisdictions.

# **Independent auditor's report to the members of By the Bridge Holdings Limited**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of By the Bridge Holdings Limited (the 'company') which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity;
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

### **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 are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

### **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 respect of these matters.



# **Independent auditor's report to the members of By the Bridge Holdings Limited (continued)**

## **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Use of our report**

This report is made solely to the company's members, 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.

## **Report on other legal and regulatory requirements**

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

## **Independent auditor's report to the members of By the Bridge Holdings Limited (continued)**

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

A handwritten signature in black ink, reading "Mark Beddy". The signature is fluid and cursive, with the first name "Mark" and last name "Beddy" clearly distinguishable.

Mark Beddy FCA (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

27 April 2018

## By the Bridge Holdings Limited

### Profit and loss account

#### For the year ended 31 December 2017

	Note	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Administrative expenses		(21,540)	(1,861)
<b>Operating loss</b>	4	(21,540)	(1,861)
Interest receivable and similar income	5	578,922	316,349
Interest payable and similar charges	6	-	(350,000)
<b>Profit/(loss) before taxation</b>		557,382	(35,512)
Tax	7	(107,274)	11,092
<b>Profit/(loss) for the financial year</b>		450,108	(24,420)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There was no other comprehensive income in the current or prior year other than those recognised in the profit and loss account. Accordingly, a separate Statement of comprehensive income has not been presented.

The notes on pages 12 to 19 form an integral part of these financial statements.

# By the Bridge Holdings Limited

## Balance sheet

As at 31 December 2017

	Note	31 December 2017 £	31 December 2016 £
<b>Fixed assets</b>			
Investments	8	23,424,882	23,424,882
<b>Current assets</b>			
Debtors	9	11,944,459	7,905,043
Cash at bank and in hand		5,379	5,379
		11,949,838	7,910,422
<b>Creditors: amounts falling due within one year</b>	10	(11,935,672)	(8,346,364)
<b>Net current assets/(liabilities)</b>		14,166	(435,942)
<b>Total assets less current liabilities</b>		23,439,048	22,988,940
<b>Net assets</b>		23,439,048	22,988,940
<b>Capital and reserves</b>			
Called up share capital	11	958	958
Share premium account		17,450,478	17,450,478
Capital redemption reserve fund	12	61	61
Profit and loss account		5,987,551	5,537,443
<b>Shareholders' funds</b>		23,439,048	22,988,940

The notes on pages 12 to 19 form an integral part of these financial statements.

The financial statements of By the Bridge Holdings Limited (registered number 05712186) were approved by the Board of Directors and authorised for issue on 27 April 2018.

Signed on behalf of the Board of Directors by:



A Kang  
Director  
27 April 2018

## By the Bridge Holdings Limited

### Statement of changes in equity For the year 31 December 2017

	Called up share capital £000	Share premium account £000	Revaluation reserve £000	Profit and loss account £000	Total £000
At 1 January 2016	958	17,450,478	61	5,561,863	23,013,360
Loss for the financial year and total comprehensive income	-	-	-	(24,420)	(24,420)
At 31 December 2016	958	17,450,478	61	5,537,443	22,988,940
Profit for the financial year and total comprehensive income	-	-	-	450,108	450,108
At 31 December 2017	958	17,450,478	61	5,987,551	23,439,048

The notes on pages 12 to 19 form an integral part of these financial statements.

## By the Bridge Holdings Limited

### Notes to the financial statements For the year ended 31 December 2017

#### 1. General information

By the Bridge Holdings Limited ('the Company') (the "Company") is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the strategic report on page 2.

These financial statements are presented in pound sterling because that is the currency of the primary economic environment in which the Company operates.

The Company is included in the consolidated financial statements of Cambian Group plc, a company incorporated in the United Kingdom. Accordingly the Company has taken advantage of the exemption given in s400 of the Companies Act 2006 from preparing and delivering Group financial statements. The financial statements present the results of the Company as an individual entity and not the results of the Group. The group accounts of Cambian Group plc are available to the public and can be obtained as set out in note 13.

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, the Company has applied FRS 101 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

#### ADOPTION OF NEW AND REVISED STANDARDS

##### *Amendments to IFRSs that are mandatorily effective for the current period*

In the current year, the Company has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2017. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to IAS 7	Disclosure initiative
Annual Improvements to IFRSs: 2014-16 Cycle (Dec 2016)	Annual Improvements to IFRSs: 2014-16 Cycle – IFRS 1 and IAS 28 Amendments

#### 2. Significant accounting policies

##### **Basis of accounting**

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions.

Where relevant, equivalent disclosures have been given in the group financial statements of Cambian Group plc. The group financial statements of Cambian Group plc are available to the public and can be obtained as set out in note 13.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

## By the Bridge Holdings Limited

### Notes to the financial statements (continued)

#### For the year ended 31 December 2017

#### 2. Significant accounting policies (continued)

##### Basis of accounting (continued)

Fair value for measurement purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies adopted are set out below.

##### Going concern

The Directors have, at the time of signing the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for at least twelve months after signing. Accordingly, they have adopted the going concern basis of accounting in preparing the financial statements. The Directors have considered the Company's cash flow forecasts and profit projections and are satisfied that the Company should be able to operate within its current financial resource. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

##### Investments

Investments in subsidiaries are recognised at cost less, where appropriate, provisions for impairment. All investments held by the Company are in its subsidiaries.

##### Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

##### Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

##### Financial assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs. All financial assets, other than cash and cash equivalents, are classified as "loans and receivables".

## **By the Bridge Holdings Limited**

### **Notes to the financial statements (continued)** **For the year ended 31 December 2017**

#### **2. Significant accounting policies (continued)**

##### **Loans and receivables**

Debtors, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

##### **Impairment of financial assets**

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade debtors, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade debtors, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

##### **Financial liabilities and equity**

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

##### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

##### **Financial liabilities**

All financial liabilities are classified as other financial liabilities.

##### **Other financial liabilities**

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.



## By the Bridge Holdings Limited

### Notes to the financial statements (continued) For the year ended 31 December 2017

#### 2. Significant accounting policies (continued)

##### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

##### Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

#### 3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There were no critical judgements, including those including that are using key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities that the directors have made in the process of applying the company's accounting policies.

#### 4. Operating Loss

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Operating loss is stated after charging:		
Fees payable to the Company's auditor for:		
- the audit of the annual financial statements	1,289	1,200

Fees payable to Deloitte LLP and their associates for non-audit services to the Company are not required to be disclosed because the consolidated financial statements of the parent Company are required to disclose such fees on a consolidated basis.

## By the Bridge Holdings Limited

### Notes to the financial statements (continued) For the year ended 31 December 2017

#### 5. Interest receivable and similar income

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Interest receivable from Group undertakings	<u>578,922</u>	<u>316,349</u>

The interest receivable from Group undertakings is accrued and paid at a rate of 5% on fixed balances, whilst other trading balances do not attract interest.

#### 6. Interest payable and similar charges

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Interest payable to Group undertakings	<u>-</u>	<u>350,000</u>

The interest payable to Group undertakings is accrued and paid at a rate of 5% on fixed balances, whilst other trading balances do not attract interest.

#### 7. Tax

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
<b>UK corporation tax</b>		
Current tax on profit for the year	107,277	(7,102)
Adjustments in respect of previous periods	(3)	(3,990)
<b>Total tax</b>	<u>107,274</u>	<u>(11,092)</u>

The tax assessed for the year is lower (2016: higher) than the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

## By the Bridge Holdings Limited

### Notes to the financial statements (continued) For the year ended 31 December 2017

#### 7. Tax (continued)

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Profit/(loss) before tax	557,382	(35,512)
Tax on profit/(loss) at standard UK corporation tax rate of 19.3% (31 December 2016: 20.0%)	107,277	(7,102)
<i>Effects of:</i> Adjustments in respect of previous periods	(3)	(3,990)
<b>Total tax for the year</b>	<b>107,274</b>	<b>(11,092)</b>

Corporation tax is calculated at 19.3% (2016: 20.0%) of the estimated taxable profit for the year.

In July 2015, the UK Government announced a reduction in the main rate of UK corporation tax to 19% with effect from 1 April 2017, and a subsequent 1% reduction to 18% with effect from 1 April 2020. These rate changes were substantively enacted on 18 November 2015.

In March 2016, the UK Government announced a further reduction in the main rate of UK corporation tax to 17% with effect from 1 April 2020. This rate change was substantively enacted on 6 September 2016.

#### 8. Fixed asset investments

	Total £
<b>Cost</b>	
At 1 January 2017	25,055,149
Additions	-
At 31 December 2017	25,055,149
<b>Provision for impairment</b>	
At 1 January 2017 and 31 December 2017	1,630,267
<b>Carrying amount</b>	
At 31 December 2017	23,424,882
At 31 December 2016	23,424,882

## By the Bridge Holdings Limited

### Notes to the financial statements (continued) For the year ended 31 December 2017

#### 8. Fixed asset investments (continued)

The Company holds investments in the following companies:

Company	Country of registration or incorporation	Class of share	% held	Nature of business
By the Bridge Limited	England and Wales	Ordinary	100%	Fostering organisation
By the Bridge North West Limited	England and Wales	Ordinary	100%	Fostering organisation

The registered office for these entities is 4<sup>th</sup> Floor, Waterfront Building, Chancellors Road, Hammersmith, London, England W6 9RU.

The Directors consider the value of the Company's investment in its direct subsidiary undertakings is not less than the amount at which it is stated in the Company's balance sheet.

#### 9. Debtors

	31 December 2017 £	31 December 2016 £
Corporation Tax	-	262,684
Amounts owed by Group undertakings	11,944,459	7,642,359
	<u>11,944,459</u>	<u>7,905,043</u>

The interest receivable to Group undertakings is accrued and received at a rate of 5% on fixed balances, whilst other trading balances do not attract interest. Amounts are repayable on demand. Interest of £578,922 (2016: £316,349) has been received in the current year.

#### 10. Creditors: amounts falling due within one year

	31 December 2017 £	31 December 2016 £
Amounts owed to Group undertakings	11,833,979	8,345,164
Corporation tax	101,693	-
Accruals and deferred income	-	1,200
	<u>11,935,672</u>	<u>8,346,364</u>

The interest payable to Group undertakings is accrued and paid at a rate of 5% on fixed balances, whilst other trading balances do not attract interest. Interest of £Nil (2016: £350,000) has been paid in the current period. Amounts are repayable on demand.

## By the Bridge Holdings Limited

### Notes to the financial statements (continued) For the year ended 31 December 2017

#### 11. Called up share capital

	31 December 2017 Number	31 December 2017 £	31 December 2016 Number	31 December 2016 £
Allotted, called up and fully-paid Ordinary Shares of 0.1pence each	958,432	958	958,432	958

On 28 July 2015 all shares in existence were converted to ordinary shares of 0.1 pence.

#### 12. Capital redemption reserve

The capital redemption reserve was established on 20<sup>th</sup> December 2013 when the Company purchased 6,125 of its own ordinary A shares from its minority shareholder.

#### 13. Control

The immediate parent company is Cambian FS Limited. The ultimate parent company and the smallest and largest group into which the financial statements of the Company are consolidated is Cambian Group plc, a company incorporated in England and Wales whose registered address is 4th Floor, Waterfront Building, Hammersmith Embankment, Chancellors Road, London, W6 9RU. Consolidated financial statements are available on the Group's website.