

Registration number: 06244880

# Aspris Children's Services Limited

Annual Report and Unaudited Financial Statements

for the Period from 1 July 2022 to 31 August 2022

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## **Aspris Children's Services Limited**

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## **Aspris Children's Services Limited**

### **Company Information**

**Directors** Ryan D Jervis  
Trevor M Torrington  
Tina Walton

**Registered office** The Forge  
Church Street West  
Woking  
Surrey  
GU21 6HT

## **Aspris Children's Services Limited**

### **Strategic Report for the Period from 1 July 2022 to 31 August 2022**

The Directors present their report for the period from 1 July 2022 to 31 August 2022.

#### **Fair review of the business**

The Company is part of a Group that delivered high-quality specialist services to meet the needs of a wide spectrum of young people, families, Local Authorities, and communities during the period.

The Company is focussed on the specialist education and care sector and the performance of the Company can be impacted by external factors. The principal factors are changes in the UK government's policy towards outsourcing of specialist education and care, changes in the regulatory regime and competitive threats from other independent providers. Management uses a range of financial and non-financial indicators to manage the business. These are derived from all areas of the business and include sales growth by unit, occupancy and operating profit margins achieved.

Given the nature of the business, the Company's Directors are of the opinion that analysis using key performance indicators is not necessary for understanding of the development, performance, or position of the business. The development, performance, and position of Aspris Holdco Limited, an intermediate parent of the company, is discussed in the Group's financial statements which includes the Company and does not form part of this report.

The results for the period are set out in the Profit and Loss Account on page 8 and the position of the Company as at the period end is set out in the Balance Sheet on page 10.

The Company's management is satisfied with the performance for the period and is committed to the continued growth strategy of the Group.

#### **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 Aspris Holdco Limited, which include those of the Company, are discussed in the Group's financial statements which do not form part of this report.

#### **Section 172(1) statement**

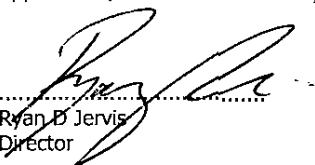
The following Section 172 statement, which is required by the Companies Act 2006, describes how the Directors have had regard to the matters set out in s172 (1a to 1f) including key decisions and matters that are of strategic importance to the Company. The Directors, in line with their duties under s172 of the Companies Act 2006, act in a way they consider, in good faith would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to a range of matters when making decisions for the long term.

From the perspective of the Company, decisions and policies relating to s172 are determined at Group level and applied to the Company, where relevant, by the Directors. Accordingly, further details in relation to how the Directors have engaged with suppliers, customers, employees and other stakeholders are included in the financial statements of Aspris Holdco Limited, an intermediate parent of the company, which includes the Company and does not form part of this report.

**Aspris Children's Services Limited**

**Strategic Report for the Period from 1 July 2022 to 31 August 2022**

Approved by the board on 17 May 2023 and signed on its behalf by:

  
.....  
Ryan D Jervis  
Director

## **Aspris Children's Services Limited**

### **Directors' Report for the Period from 1 July 2022 to 31 August 2022**

The Directors present their report and the unaudited financial statements for the period from 1 July 2022 to 31 August 2022.

This report should be read in conjunction with the Strategic Report on page 2. The Company has chosen in accordance with Section 414C(ii) of the Companies Act 2006 to set out in the Strategic Report the following which the Directors believe to be of strategic importance:

- Business review;
- Principal risks and uncertainties; and
- Statements in relation to how directors have engaged with employees, suppliers, customers and others in a business relationship with the company.

#### **Principal activity**

The principal activity of the Company is the provision of specialist education and care.

The Company is a leading provider of specialist education and care services to young people in the UK. Educating and caring for a wide spectrum of specialist education and mental healthcare needs, including autism, learning difficulties, social, emotional and mental health conditions (SEMH).

#### **Directors' of the Company**

The Directors, who held office during the period, were as follows:

Ryan D Jervis

Trevor M Torrington

Chris Strong (ceased 30 August 2022)

Tina Walton

#### **Dividend**

The Directors do not recommend the payment of a final dividend (18 months to 30 June 2022: £nil). No dividends were paid during the period (18 months to 30 June 2022: £nil).

#### **Financial instruments**

The Company is exposed to financial risks in the form of credit, interest and liquidity risks which arise in the normal course of business. The Directors monitor the risks in order to limit the adverse effects on the financial performance, however this is integrated with the risks of the Group and not managed separately. Accordingly, the financial risk management policies of Aspris Holdco Limited, which include those of the Company, are discussed in the Group's financial statements which do not form part of this report.

## **Aspris Children's Services Limited**

### **Directors' Report for the Period from 1 July 2022 to 31 August 2022**

#### **Corporate governance**

The Company has not formally applied any prescribed code of corporate governance for the period ended 31 August 2022. The Company is an operating subsidiary of the Group of companies headed by Aspris Holdco Limited, and as such is governed by the overarching principles and policies to the Group as a whole.

The aforementioned notwithstanding, the Directors of the Company are satisfied that governance policies, procedures and practices applied at Group level as well as specifically applicable to the Company are appropriate and robust in the context of the Company's operational activities and pertinent stakeholders. Corporate governance policy and behaviours apply in areas such as the composition of the Company's board of Directors, its individual and collective responsibilities and its strategic purpose and leadership. The board is cognisant of the opportunities and risks represented by the Company's current and future operations.

#### **Going concern**

The financial statements have been prepared on the going concern basis (note 3), further detail on the Directors assessment of going concern can be found in the consolidated Group financial statements (Aspris Holdco Limited).

#### **Employee involvement**

The Directors recognise that the continued position of the Company in the sector depends on the quality and motivation of its employees. Well trained, engaged and quality employees are crucial for the Company to ensure that service users receive the best quality care. The key quality performance indicators the Company uses to measure engagement and training are: the employee opinion survey, employee sickness levels and compliance with the Company e-learning programme. The Company has low levels of sickness and high levels of compliance with training programmes. Whilst monitoring these performance indicators, the Company continues to review its remuneration system to ensure it is fair, transparent, flexible and provides individual recognition. Employees have a personal development plan that is monitored, assessed and modified during the annual appraisal process.

The Company recognises that good and effective employee communications are particularly important to retaining and motivating employees, and throughout the business it is the Directors' policy to promote the understanding by all employees of the Company's business aims, purpose, performance and individual opportunities for personal and career development. This is achieved through internal publications, presentations on performance and a variety of other approaches appropriate for a particular location. Employees are consulted on issues through our Active Colleague Engagement ('ACE') forums. In all these areas, the Company continues to further invest in resource and IT solutions in order to deliver a positive experience for all our colleagues.

#### **Employment of disabled persons**

The Directors believe that it is important to recruit and retain capable and caring staff regardless of their gender, marital status, race or religion. It is the Company's policy to give full and fair consideration to applications for employment from people who are disabled, to continue wherever possible the employment of and to arrange appropriate training for, employees who become disabled and to provide equal opportunities for the career development, training and promotion of disabled employees.

#### **Future developments**

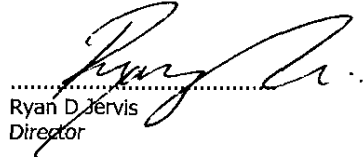
The Company's strategy is to prioritise the provision of high-quality sustainable services to those people that currently use our services, and to increase the number of people that we educate and care for within our facilities. With the aim of making an increasingly positive impact on the regions and communities we serve. To achieve these aims the Company will continue to invest in our valued workforce and our operational facilities and seek to respond to the needs of our primary customers and service users.

This focus on both quality service provision and sustainable growth will deliver increased benefits to our stakeholders, whilst also delivering value and improved long term financial performance.

**Aspris Children's Services Limited**

**Directors' Report for the Period from 1 July 2022 to 31 August 2022**

Approved by the board on 17 May 2023 and signed on its behalf by:

  
.....  
Ryan D. Jarvis  
Director

## **Aspris Children's Services Limited**

### **Statement of Directors' Responsibilities**

The Directors acknowledge their responsibilities 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

## Aspris Children's Services Limited

### Profit and Loss Account for the Period from 1 July 2022 to 31 August 2022

		2 months to 31 August 2022 £ 000	18 months to 30 June 2022 £ 000
	Note		
Turnover	4	21,862	183,212
Cost of sales		<u>(18,005)</u>	<u>(151,739)</u>
Gross profit		3,857	31,473
Administrative expenses		<u>(957)</u>	<u>34,505</u>
Operating profit	5	<u>2,900</u>	<u>65,978</u>
Interest receivable and similar income	6	275	1,525
Interest payable and similar expenses	7	<u>(2,785)</u>	<u>(24,313)</u>
		<u>(2,510)</u>	<u>(22,788)</u>
Profit before tax		390	43,190
Tax on profit	10	<u>(144)</u>	<u>(3,749)</u>
Profit for the period		<u>246</u>	<u>39,441</u>

The above results were derived from continuing operations.

**Aspris Children's Services Limited**

**Statement of Comprehensive Income for the Period from 1 July 2022 to 31 August 2022**

	<b>2 months to 31 August 2022 £ 000</b>	<b>18 months to 30 June 2022 £ 000</b>
Profit for the period	<u>246</u>	<u>39,441</u>
Total comprehensive income for the period	<u><u>246</u></u>	<u><u>39,441</u></u>

**Aspris Children's Services Limited**  
**(Registration number: 06244880)**  
**Balance Sheet as at 31 August 2022**

	Note	31 August 2022 £ 000	30 June 2022 £ 000
<b>Non-current assets</b>			
Intangible assets	11	26,584	26,584
Tangible assets	12	109,960	108,470
Right of use assets	13	145,345	139,099
Investments	14	111,253	111,312
Trade and other debtors	15	45,696	41,852
		<u>438,838</u>	<u>427,317</u>
<b>Current assets</b>			
Trade and other debtors	15	18,499	10,000
Cash at bank and in hand	16	11,872	9,373
Tax asset		1,927	1,763
		<u>32,298</u>	<u>21,136</u>
<b>Creditors: Amounts falling due within one year</b>	17	<u>(48,360)</u>	<u>(35,828)</u>
<b>Net current liabilities</b>		<u>(16,062)</u>	<u>(14,692)</u>
<b>Total assets less current liabilities</b>		422,776	412,625
<b>Creditors: Amounts falling due after more than one year</b>	18	(316,956)	(307,137)
<b>Provisions for liabilities</b>	20	<u>(5,547)</u>	<u>(5,461)</u>
<b>Net assets</b>		<u>100,273</u>	<u>100,027</u>
<b>Capital and reserves</b>			
Called up share capital	21	24,219	24,219
Share premium reserve		34,450	34,450
Retained earnings		41,604	41,358
Shareholders' funds		<u>100,273</u>	<u>100,027</u>

The notes on pages 13 to 38 form an integral part of these financial statements.  
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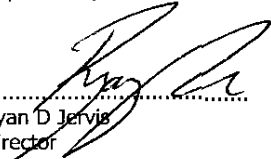
**Aspris Children's Services Limited**  
**(Registration number: 06244880)**  
**Balance Sheet as at 31 August 2022**

For the financial period ending 31 August 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the board on 17 May 2023 and signed on its behalf by:

  
.....  
Ryan D Jervis  
Director

## Aspris Children's Services Limited

### Statement of Changes in Equity for the Period from 1 July 2022 to 31 August 2022

	Share capital £ 000	Share premium £ 000	Retained earnings £ 000	Total £ 000
At 1 July 2022	24,219	34,450	41,358	100,027
Profit for the period	-	-	246	246
Total comprehensive income	-	-	246	246
At 31 August 2022	24,219	34,450	41,604	100,273

	Share capital £ 000	Share premium £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2021	10	-	1,917	1,927
Profit for the period	-	-	39,441	39,441
Total comprehensive income	-	-	39,441	39,441
New share capital subscribed	24,209	34,450	-	58,659
At 30 June 2022	24,219	34,450	41,358	100,027

## **Aspris Children's Services Limited**

### **Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022**

#### **1 General information**

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

The address of its registered office is:

The Forge  
Church Street West  
Woking  
Surrey  
GU21 6HT  
England

These financial statements were authorised for issue by the board on 17 May 2023.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Basis of preparation**

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

The financial statements are presented in sterling, rounded to the nearest thousand.

##### **Summary of disclosure exemptions**

In these financial statements, the Company has taken advantage of the disclosure exemptions available under FRS 101 in relation to share-based payment, business combinations, non-current assets held for sale, financial instruments, fair value measurements, capital management, revenue from contracts with customers, presentation of comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investment property, presentation of a cash-flow statement, the effects of new standards not yet effective, impairment of assets and disclosures in respect of the compensation of key management personnel and of transactions entered into between two or more members of a group.

##### **Disclosure of long or short period**

These financial statements cover a 2 month reporting period to 31 August 2022, in order to align the Company reporting date with that of the Group. The comparative amounts presented are for an 18 month reporting period and not entirely comparable.

##### **Going concern**

The financial statements have been prepared on the going concern basis (note 3).

## **Aspris Children's Services Limited**

### **Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022**

#### **Exemption from preparing group accounts**

The financial statements contain information about Aspris Children's Services Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Aspris Holdco Limited, a company incorporated in United Kingdom.

#### **Changes in accounting policy**

None of the standards, interpretations and amendments effective for the first time from 1 July 2022 have had a material effect on the financial statements.

#### **Revenue recognition**

##### *Recognition*

The Company earns revenue from the provision of services relating to specialist education and care. This revenue is recognised in the accounting period when the services are rendered at an amount that reflects the consideration to which the entity expects to be entitled in exchange for fulfilling its performance obligations to customers.

The principles in IFRS are applied to revenue recognition criteria using the following 5 step model:

1. Identify the contracts with the customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognise revenue when or as the entity satisfies its performance obligations

#### **Tax**

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

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 operates and generates taxable income.

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

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

#### **Tangible assets**

Property, plant and equipment is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

## Aspris Children's Services Limited

### Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and assets under construction over their estimated useful lives, as follows:

Asset class	Years depreciated over
Freehold buildings	50 years
Leasehold buildings	The lease term
Fixtures, fittings and equipment	3 to 16 years
Motor vehicles	The shorter of the lease term or 4 years

#### Intangible assets

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Goodwill is not subject to amortisation but is tested for impairment.

Negative goodwill arising on an acquisition is recognised directly in the profit and loss account. On disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss recognised in the profit and loss account on disposal.

#### Cash and cash equivalents

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

#### Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as fixed assets.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

#### Trade creditors

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

## **Aspris Children's Services Limited**

### **Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022**

#### **Borrowings**

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

#### **Leases**

##### *Definition*

A lease is a contract, or a part of a contract, that conveys the right to use an asset or a physically distinct part of an asset ("the underlying asset") for a period of time in exchange for consideration. Further, the contract must convey the right to the company to control the asset or a physically distinct portion thereof. A contract is deemed to convey the right to control the underlying asset if, throughout the period of use, the company has the right to:

- Obtain substantially all the economic benefits from the use of the underlying asset, and;
- Direct the use of the underlying asset (e.g. direct how and for what purpose the asset is used)

##### *Initial recognition and measurement*

The company initially recognises a lease liability for the obligation to make lease payments and a right-of-use asset for the right to use the underlying asset for the lease term.

The lease liability is measured at the present value of the lease payments to be made over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the company's incremental borrowing rate on commencement of the lease is used. The lease payments include fixed payments, purchase options at exercise price (where payment is reasonably certain), expected amount of residual value guarantees, termination option penalties (where payment is considered reasonably certain) and variable lease payments that depend on an index or rate.

The right-of-use asset is initially measured at the amount of the lease liability, adjusted for lease prepayments, lease incentives received, the company's initial direct costs (e.g., commissions) and an estimate of restoration, removal and dismantling costs.

## **Aspris Children's Services Limited**

### **Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022**

#### *Subsequent measurement*

After the commencement date, the company measures the lease liability by:

- (a) Increasing the carrying amount to reflect interest on the lease liability;
- (b) Reducing the carrying amount to reflect the lease payments made; and
- (c) Re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in substance fixed lease payments or on the occurrence of other specific events.

Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. Interest charges are included in finance cost in the profit and loss account, unless the costs are included in the carrying amount of another asset applying other applicable standards. Variable lease payments not included in the measurement of the lease liability, are included in operating expenses in the period in which the event or condition that triggers them arises.

The related right-of-use asset is accounted for using the Cost model in IAS 16 and depreciated and charged in accordance with the depreciation requirements of IAS 16 Property, Plant and Equipment as disclosed in the accounting policy for Property, Plant and Equipment. Adjustments are made to the carrying value of the right of use asset where the lease liability is re-measured in accordance with the above. Right of use assets are tested for impairment in accordance with IAS 36 Impairment of assets as disclosed in the accounting policy in impairment.

#### *Lease modifications*

If a lease is modified, the modified contract is evaluated to determine whether it is or contains a lease. If a lease continues to exist, the lease modification will result in either a separate lease or a change in the accounting for the existing lease.

The modification is accounted for as a separate lease if both:

- (a) The modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- (b) The consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

If both of these conditions are met, the lease modification results in two separate leases, the unmodified original lease and a separate lease. The company then accounts for these in line with the accounting policy for new leases.

If either of the conditions are not met, the modified lease is not accounted for as a separate lease and the consideration is allocated to the contract and the lease liability is re-measured using the lease term of the modified lease and the discount rate as determined at the effective date of the modification.

For a modification that fully or partially decreases the scope of the lease (e.g., reduces the square footage of leased space), IFRS 16 requires a lessee to decrease the carrying amount of the right-of-use asset to reflect partial or full termination of the lease. Any difference between those adjustments is recognised in profit or loss at the effective date of the modification.

For all other lease modifications which are not accounted for as a separate lease, IFRS 16 requires the lessee to recognise the amount of the re-measurement of the lease liability as an adjustment to the corresponding right-of-use asset without affecting profit or loss.

#### *Short term and low value leases*

The company has made an accounting policy election, by class of underlying asset, not to recognise lease assets and lease liabilities for leases with a lease term of 12 months or less (i.e., short-term leases).

The company has made an accounting policy election on a lease-by-lease basis, not to recognise lease assets on leases for which the underlying asset is of low value.

Lease payments on short term and low value leases are accounted for on a straight line bases over the term of the lease or other systematic basis if considered more appropriate. Short term and low value lease payments are included in operating expenses in the profit and loss account.

## **Aspris Children's Services Limited**

### **Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022**

#### *Sub leases*

If an underlying asset is re-leased by the company to a third party and the company retains the primary obligation under the original lease, the transaction is deemed to be a sublease. The company continues to account for the original lease (the head lease) as a lessee and accounts for the sublease as a lessor (intermediate lessor). When the head lease is a short term lease, the sublease is classified as an operating lease. Otherwise, the sublease is classified using the classification criteria applicable to Lessor Accounting in IFRS 16 by reference to the right-of-use asset in the head lease (and not the underlying asset of the head lease).

After classification lessor accounting is applied to the sublease.

#### **Impairment of non-financial assets**

Property, plant and equipment is tested for impairment by management when a trigger event that might affect asset values has occurred. An impairment loss is recognised in the profit and loss account to the extent that the carrying amount cannot be recovered either by selling the asset or by the discounted future earnings from an income-generating unit, which is an individual business operational unit.

#### **Share capital**

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

#### **Defined contribution pension obligation**

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

For defined contribution plans contributions are paid publicly or privately administered pension insurance plans on a mandatory or contractual basis. The contributions are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as an asset.

## **Aspris Children's Services Limited**

### **Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022**

#### **Financial instruments**

##### **Initial recognition**

Financial assets and financial liabilities comprise all assets and liabilities reflected in the balance sheet, although excluding tangible assets, investment properties, intangible assets, deferred tax assets, prepayments, deferred tax liabilities and employee benefits plan.

The company recognises financial assets and financial liabilities in the balance sheet when, and only when, the company becomes party to the contractual provisions of the financial instrument.

Financial assets are initially recognised at fair value. Financial liabilities are initially recognised at fair value, representing the proceeds received net of premiums, discounts and transaction costs that are directly attributable to the financial liability.

All regular way purchases and sales of financial assets and financial liabilities classified as fair value through profit or loss ("FVTPL") are recognised on the trade date, i.e. the date on which the company commits to purchase or sell the financial assets or financial liabilities. All regular way purchases and sales of other financial assets and financial liabilities are recognised on the settlement date, i.e. the date on which the asset or liability is received from or delivered to the counterparty. Regular way purchases or sales are purchases or sales of financial assets that require delivery within the time frame generally established by regulation or convention in the market place.

Subsequent to initial measurement, financial assets and financial liabilities are measured at either amortised cost or fair value.

##### **Classification and measurement**

Financial instruments are classified at inception into one of the following categories, which then determine the subsequent measurement methodology:-

*Financial assets are classified into one of the following three categories:-*

- financial assets at amortised cost;
- financial assets at fair value through other comprehensive income (FVTOCI); or
- financial assets at fair value through the profit or loss (FVTPL).

*Financial liabilities are classified into one of the following two categories:-*

- financial liabilities at amortised cost; or
- financial liabilities at fair value through the profit or loss (FVTPL).

The classification and the basis for measurement are subject to the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, as detailed below:-

## **Aspris Children's Services Limited**

### **Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022**

#### **Financial assets at amortised cost**

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:-

- the assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

If either of the above two criteria is not met, the financial assets are classified and measured at fair value through the profit or loss (FVTPL).

If a financial asset meets the amortised cost criteria, the company may choose to designate the financial asset at FVTPL. Such an election is irrevocable and applicable only if the FVTPL classification significantly reduces a measurement or recognition inconsistency.

#### **Financial assets at fair value through the profit or loss (FVTPL)**

Financial assets not otherwise classified above are classified and measured as FVTPL.

#### **Financial liabilities at amortised cost**

All financial liabilities, other than those classified as financial liabilities at FVTPL, are measured at amortised cost using the effective interest rate method.

#### **Financial liabilities at fair value through the profit or loss**

Financial liabilities not measured at amortised cost are classified and measured at FVTPL. This classification includes derivative liabilities.

## **Aspris Children's Services Limited**

### **Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022**

#### **Derecognition**

##### *Financial assets*

The company derecognises a financial asset when;

- the contractual rights to the cash flows from the financial asset expire,
- it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred; or
- the company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset and the sum of the consideration received is recognised as a gain or loss in the profit or loss.

Any cumulative gain or loss recognised in OCI in respect of equity investment securities designated as FVTOCI is not recognised in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the company is recognised as a separate asset or liability.

The company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of risks and rewards of the transferred assets or a portion of them. In such cases, the transferred assets are not derecognised.

When the company derecognises transferred financial assets in their entirety, but has continuing involvement in them then the entity should disclose for each type of continuing involvement at the reporting date:

(a) The carrying amount of the assets and liabilities that are recognised in the entity's balance sheet and represent the entity's continuing involvement in the derecognised financial assets, and the line items in which those assets and liabilities are recognised.

(b) The fair value of the assets and liabilities that represent the entity's continuing involvement in the derecognised financial assets;

(c) The amount that best represents the entity's maximum exposure to loss from its continuing involvement in the derecognised financial assets, and how the maximum exposure to loss is determined

(d) The undiscounted cash outflows that would or may be required to repurchase the derecognised financial assets or other amounts payable to the transferee for the transferred assets

##### *Financial liabilities*

The company derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

## **Aspris Children's Services Limited**

### **Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022**

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

##### *Measurement of Expected Credit Losses*

The company recognises loss allowances for expected credit losses (ECL) on financial instruments that are not measured at FVTPI, namely:

- Financial assets that are debt instruments
- Accounts and other receivables
- Financial guarantee contracts issued; and
- *Loan commitments issued.*

The company classifies its financial instruments into stage 1, stage 2 and stage 3, based on the applied impairment methodology, as described below:

Stage 1: for financial instruments where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired on origination, the company recognises an allowance based on the 12-month ECL.

Stage 2: for financial instruments where there has been a significant increase in credit risk since initial recognition but they are not credit-impaired, the company recognises an allowance for the lifetime ECL.

Stage 3: for credit-impaired financial instruments, the company recognises the lifetime ECL.

The company measures loss allowances at an amount equal to the lifetime ECL, except for the following, for which they are measured as a 12-month ECL:

- debt securities that are determined to have a low credit risk (equivalent to investment grade rating) at the reporting date; and
- other financial instruments on which the credit risk has not increased significantly since their initial recognition.

The company considers a debt security to have low credit risk when their credit risk rating is equivalent to the globally understood definition of 'investment grade'.

A 12-month ECL is the portion of the ECL that results from default events on a financial instrument that are probable within 12 months from the reporting date.

Provisions for credit-impairment are recognised in the statement of income and are reflected in accumulated provision balances against each relevant financial instruments balance.

Evidence that the financial asset is credit-impaired include the following;

- Significant financial difficulties of the borrower or issuer;
- A breach of contract such as default or past due event;
- The restructuring of the loan or advance by the company on terms that the company would not consider otherwise;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for the security because of financial difficulties; or
- There is other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the company, or economic conditions that correlate with defaults in the company.

## **Aspris Children's Services Limited**

### **Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022**

For trade debtors, the company applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the debtors.

Trade debtors are not subject to material or significant credit losses. Credit risk is not considered to be significant given that over 90% of revenue is derived from publicly funded entities.

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

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of certain financial assets, liabilities, income and expenses.

The critical estimates and assumptions are explained in more detail below:

##### **Going concern**

There are necessary estimates and judgments in the Director's assessment of going concern. The Directors' have considered these estimates and judgments in the going concern assessment of Aspris Holdco Limited, which includes those relating to this company, and disclosed in the Group's financial statements.

##### **Depreciation**

The depreciation policies for each category of tangible assets have been set according to the estimated useful economic lives of the assets, something which is considered annually. The depreciation charged during the period was £1,107,000 (18 months to 30 June 2022 - £9,442,000), which the Directors feel is a fair reflection of the benefits derived from the utilisation of tangible assets in use during the period.

##### **Right of use assets and liabilities**

The Group leases a number of properties, recognised in accordance with IFRS16 (note 13).

In calculating the asset/liability attached to several of the lease agreements the company has required use of an Incremental Borrowing Rate ("IBR"). The IBR has considered the risk-free rate attributable to the currency, location and lease term of each property, adjusted to reflect the interest rates the company would be able to achieve based upon its financing arrangements at the time of the leases inception.

The Directors have applied judgement to determine the lease term for contracts that include a renewal or break option. Extension options and break clauses are included in a number of the company's lease agreements to maximise the flexibility in managing operational assets. In determining the lease term, the Directors have considered all facts, circumstances and the exercise dates of such clauses. Extension options and break clauses are only reflected in the lease term if there is reasonably certainty they will be exercised

## Aspris Children's Services Limited

### Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

#### 4 Turnover

The analysis of the Company's turnover for the period from continuing operations is as follows:

	<b>2 months to 31 August 2022 £ 000</b>	<b>18 months to 30 June 2022 £ 000</b>
Rendering of services	21,654	182,582
Other revenue	208	630
	<u>21,862</u>	<u>183,212</u>

Substantially all turnover and profit on ordinary activities before taxation arose within the United Kingdom and from one class of business.

#### 5 Operating profit

Arrived at after charging/(crediting)

	<b>2 months to 31 August 2022 £ 000</b>	<b>18 months to 30 June 2022 £ 000</b>
Depreciation expense	1,107	9,442
Depreciation on right of use assets	1,246	12,563
Loss/(profit) on disposal of tangible assets	<u>3</u>	<u>(42,616)</u>

Administrative expenses include exceptional items and loss/(profit) on disposal of tangible assets.

## Aspris Children's Services Limited

### Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

#### 6 Interest receivable and similar income

	2 months to 31 August 2022 £ 000	18 months to 30 June 2022 £ 000
Interest income on bank deposits	-	58
Other finance income	275	1,467
	<u>275</u>	<u>1,525</u>

#### 7 Interest payable and similar expenses

	2 months to 31 August 2022 £ 000	18 months to 30 June 2022 £ 000
Interest on bank overdrafts and borrowings	11	100
Other finance costs	1,026	8,985
Interest expense on leases	1,748	15,228
	<u>2,785</u>	<u>24,313</u>

#### 8 Staff costs

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

	2 months to 31 August 2022 £ 000	18 months to 30 June 2022 £ 000
Wages and salaries	10,755	91,154
Social security costs	981	7,197
Pension costs, defined contribution scheme	662	5,157
	<u>12,398</u>	<u>103,508</u>

In the comparative figures, for the period 1 January 2021 to 31 August 2021 staff costs were recharged from Priory Central Services Limited on a specific basis.

## Aspris Children's Services Limited

### Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

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

	<b>2 months to 31 August 2022 No.</b>	<b>18 months to 30 June 2022 No.</b>
Administration and support	190	171
Other departments	2,655	2,709
	<u>2,845</u>	<u>2,880</u>

The comparative staff numbers relate to the period from 1 September 2021, when all employees of the Group were transferred to this Company under TUPE.

#### 9 Directors' remuneration

The Directors' remuneration for the period was as follows:

	<b>2 months to 31 August 2022 £ 000</b>	<b>18 months to 30 June 2022 £ 000</b>
Remuneration	169	3,289
Contributions paid to money purchase schemes	2	10
	<u>171</u>	<u>3,299</u>

In the comparative figures, prior to the 1 September 2021 acquisition by Aspris Holdco Limited, Directors' remuneration was borne by Priory Central Services Limited, a fellow company in the previous group, with no amounts recharged in respect of the Directors' services. The comparative amounts disclosed related to remuneration from 1 September 2021 and include payments relating to the departure of Chris Strong as a Director.

During the period the number of Directors who were receiving benefits and share incentives was as follows:

	<b>2 months to 31 August 2022 No.</b>	<b>18 months to 30 June 2022 No.</b>
Accruing benefits under money purchase pension scheme	<u>3</u>	<u>3</u>

In respect of the highest paid Director:

	<b>2 months to 31 August 2022 £ 000</b>	<b>18 months to 30 June 2022 £ 000</b>
Remuneration	71	1,082
Company contributions to money purchase pension schemes	1	3

## Aspris Children's Services Limited

### Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

#### 10 Income tax

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

	<b>2 months to 31 August 2022 £ 000</b>	<b>18 months to 30 June 2022 £ 000</b>
<b>Current taxation</b>		
UK corporation tax	46	3,052
<b>Deferred taxation</b>		
Arising from origination and reversal of temporary differences	<u>98</u>	<u>697</u>
Tax expense in the profit and loss account	<u>144</u>	<u>3,749</u>

The tax on profit before tax for the period is higher than the standard rate of corporation tax in the UK (2022 - higher than the standard rate of corporation tax in the UK) of 19% (2022 - 19%).

The differences are reconciled below:

	<b>2 months to 31 August 2022 £ 000</b>	<b>18 months to 30 June 2022 £ 000</b>
Profit before tax	<u>390</u>	<u>43,190</u>
Corporation tax at standard rate	74	8,206
Increase/(decrease) from effect of capital allowances depreciation	110	(8,256)
(Decrease)/increase from effect of expenses not deductible in determining taxable profit (tax loss)	(38)	12,609
Increase from tax losses for which no deferred tax asset was recognised	(92)	(9,359)
Increase from effect of joint-ventures and associates results reported net of tax	90	-
Deferred tax expense relating to changes in tax rates or laws	<u>-</u>	<u>549</u>
Total tax charge	<u>144</u>	<u>3,749</u>

The company's profits for this accounting year are taxed at an effective rate of 19% (18 months to 30 June 2022: 19%).

## Aspris Children's Services Limited

### Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

#### Deferred tax

Deferred tax calculated in full on temporary differences under the liability method using a tax rate of 19%. The increase in corporation tax to 25 % was substantively enacted in April 2023. This new rate will apply to deferred tax balances which are expected to reverse as at 1 September 2022.

Deferred tax assets and liabilities

	Asset £ 000	Liability £ 000	Net deferred tax £ 000
<b>31 August 2022</b>			
Accelerated tax depreciation	-	(3,685)	(3,685)
Other items	-	(911)	(911)
	<u>-</u>	<u>(4,596)</u>	<u>(4,596)</u>

	Asset £ 000	Liability £ 000	Net deferred tax £ 000
<b>30 June 2022</b>			
Accelerated tax depreciation	-	(3,654)	(3,654)
Other items	-	(843)	(843)
	<u>-</u>	<u>(4,497)</u>	<u>(4,497)</u>

Deferred tax movement during the period:

	At 1 July 2022 £ 000	Recognised in income £ 000	At 31 August 2022 £ 000
Accelerated tax depreciation	(3,654)	(31)	(3,685)
Other items	(843)	(68)	(911)
	<u>(4,497)</u>	<u>(99)</u>	<u>(4,596)</u>

Deferred tax movement during the prior period:

	At 1 January 2021 £ 000	Recognised in income £ 000	At 30 June 2022 £ 000
Accelerated tax depreciation	(2,957)	(697)	(3,654)
Other items	(843)	-	(843)
	<u>(3,800)</u>	<u>(697)</u>	<u>(4,497)</u>

Deferred tax assets have been recognised in respect of all tax losses and other temporary differences giving rise to deferred tax assets where the Directors believe it is probable that these assets will be recovered.

## Aspris Children's Services Limited

### Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

#### 11 Intangible assets

	Goodwill £ 000	Total £ 000
<b>Cost or valuation</b>		
At 1 July 2022	26,584	26,584
At 31 August 2022	26,584	26,584
<b>Carrying amount</b>		
At 31 August 2022	26,584	26,584
At 30 June 2022	26,584	26,584

The company tests goodwill annually for impairment, or more frequently if there is an indicator that goodwill might be impaired. The recoverable amount is determined from either value in use or fair value less costs to sell calculations.

No reasonably likely changes in underlying assumptions would result in a material impairment charge.

#### 12 Tangible assets

	Land and buildings £ 000	Furniture, fittings and equipment £ 000	Motor vehicles £ 000	Assets under construction £ 000	Total £ 000
<b>Cost or valuation</b>					
At 1 July 2022	87,691	51,647	-	3,322	142,660
Additions	476	953	77	1,175	2,681
Disposals	(47)	(37)	-	-	(84)
Transfers	189	30	-	(219)	-
At 31 August 2022	88,309	52,593	77	4,278	145,257
<b>Depreciation</b>					
At 1 July 2022	5,613	28,577	-	-	34,190
Charge for the period	229	875	3	-	1,107
At 31 August 2022	5,842	29,452	3	-	35,297
<b>Carrying amount</b>					
At 31 August 2022	82,467	23,141	74	4,278	109,960
At 30 June 2022	82,078	23,070	-	3,322	108,470

## Aspris Children's Services Limited

### Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

#### 13 Right of use assets

	Property £ 000	Motor vehicles £ 000	Total £ 000
<b>Cost or valuation</b>			
At 1 July 2022	148,708	3,261	151,969
Additions	7,375	205	7,580
Disposals	-	(407)	(407)
At 31 August 2022	<u>156,083</u>	<u>3,059</u>	<u>159,142</u>
<b>Depreciation</b>			
At 1 July 2022	10,718	2,152	12,870
Charge for the period	1,129	117	1,246
Eliminated on disposal	-	(319)	(319)
At 31 August 2022	<u>11,847</u>	<u>1,950</u>	<u>13,797</u>
<b>Carrying amount</b>			
At 31 August 2022	<u>144,236</u>	<u>1,109</u>	<u>145,345</u>
At 30 June 2022	<u>137,990</u>	<u>1,109</u>	<u>139,099</u>

See note 19 for right of use liabilities recognised in relation to leases.

The Company leases motor vehicles with leases terms of generally 4 years.

The Company leases property with an average remaining lease term of 13 years.

## Aspris Children's Services Limited

### Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

#### 14 Investments

	£ 000 Subsidiaries	£ 000 Joint Ventures	£ 000 Total
<b>Cost or valuation</b>			
At 1 July 2022	<u>111,253</u>	<u>59</u>	<u>111,312</u>
At 31 August 2022	<u>111,253</u>	<u>59</u>	<u>111,312</u>
<b>Provision</b>			
At 1 July 2022	-	-	-
Provision	<u>-</u>	<u>59</u>	<u>59</u>
At 31 August 2022	<u>-</u>	<u>59</u>	<u>59</u>
<b>Carrying amount</b>			
At 31 August 2022	<u>111,253</u>	<u>-</u>	<u>111,253</u>
At 30 June 2022	<u>111,253</u>	<u>59</u>	<u>111,312</u>

The Company has control of a 60% interest in Saudi Healthcare LLC ("SHc"), an entity registered in KSA, which operates a Wellbeing Centre in Riyadh. SHc incurred losses during the period, some of which have been offset against the investment held by this Company.

## Aspris Children's Services Limited

### Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

Details of the subsidiaries as at 31 August 2022 are as follows:

Name of subsidiary	Principal activity	Registered office	Holding	Proportion of ownership interest and voting rights held	
				Aug 2022	Jun 2022
Coxlease School Limited^	Non-trading	United Kingdom	Ordinary	100%	100%
Castlecare Group Limited^	Holding company	United Kingdom	Ordinary	100%	100%
Progress Care and Education Limited^	Children's homes	United Kingdom	Ordinary	100%	100%
Speciality Care Limited^	Holding company	United Kingdom	Ordinary Convertible preference	100% 100%	100% 100%
Strathmore College Limited^	Care delivery	United Kingdom	Ordinary	100%	100%
Aspris (Thetford 1) Limited^	Non-trading	United Kingdom	Ordinary	100%	100%
Aspris New Education Services Limited^	Education	United Kingdom	Ordinary	100%	100%
Castlecare Holdings Limited	Holding company	United Kingdom	Ordinary	100%	100%
Quantum Care (UK) Limited	Children's care homes	United Kingdom	Ordinary	100%	100%
Speciality Care (Rest Homes) Limited	Care delivery	United Kingdom	Ordinary	100%	100%
Speciality Care (Medicare) Limited	Holding company	United Kingdom	Ordinary	100%	100%

## Aspris Children's Services Limited

### Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

Name of subsidiary	Principal activity	Registered office	Holding	Proportion of ownership interest and voting rights held	
				Aug 2022	Jun 2022
Specialised Courses Offering Purposeful Education Limited	Care delivery	United Kingdom	Ordinary	100%	100%
Aspris (Thetford 2) Limited	Non-trading	United Kingdom	Ordinary	100%	100%
Dunhall Property Limited	Non-trading	United Kingdom	Ordinary	100%	100%
Castle Homes Care Limited	Children's care homes	United Kingdom	Ordinary	100%	100%
Castlecare Cymru Limited	Children's care homes	United Kingdom	Ordinary	100%	100%
Castle Homes Limited	Children's care homes	United Kingdom	Ordinary	100%	100%
Rothcare Estates Limited	Property company	United Kingdom	Ordinary	100%	100%
Castlecare Education Limited	Specialist education services	United Kingdom	Ordinary	100%	100%
Thetford Trustee LLP	Trustee company	United Kingdom	Members interest	100%	100%
Aspris (Troup House) Limited *	Education	United Kingdom	Ordinary	100%	100%
Aspire Scotland Holdings Limited^*	Holding company	United Kingdom	Ordinary	100%	100%
Aspire Scotland Limited*	Children's care homes	United Kingdom	Ordinary	100%	100%
Galaxy Cafe Limited*	Children's care and education	United Kingdom	Ordinary	100%	100%
Galaxy UK Leisure Limited*	Children's care and education	United Kingdom	Ordinary	100%	100%

## Aspris Children's Services Limited

### Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

Name of subsidiary	Principal activity	Registered office	Holding	Proportion of ownership interest and voting rights held	
				Aug 2022	Jun 2022
SC Topco Limited <sup>^</sup> **	Holding company	United Kingdom	Ordinary	100%	100%
SC Bidco Limited**	Holding company	United Kingdom	Ordinary	100%	100%
Natabra Properties Limited**	Property company	United Kingdom	Ordinary	100%	100%
Sandcastle Care Holdings Limited**	Holding company	United Kingdom	Ordinary	100%	100%
Sandcastle Care Limited**	Children's care homes	United Kingdom	Ordinary	100%	100%
Portxol UK Limited**	Property company	United Kingdom	Ordinary	100%	100%
Aspris (Arden) Limited <sup>^</sup>	Property company	United Kingdom	Ordinary	100%	100%
Priory Healthcare LLC***	Healthcare	UAE	N/A	0%	0%

<sup>^</sup>indicates directly held subsidiary

Unless stated otherwise the registered address of each subsidiary is: The Forge, Church Street West, Woking, Surrey, England, GU21 6HT

\*Company registered address is: Radio City Building, 1a Bridgend, Kilbirnie, Scotland, KA25 7DF

\*\*Company registered address is: 49 Whitegate Drive, Blackpool, Lancashire, England, FY3 9DG

\*\*\*Aspris Children's Services Limited controls Priory Healthcare LLC through a combination of contractual agreements and the ability to direct the financial and operational management of the entity.

## Aspris Children's Services Limited

### Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

#### 15 Trade and other debtors

	<b>31 August 2022 £ 000</b>	<b>30 June 2022 £ 000</b>
<b>Trade and other debtors falling due within one year</b>		
Trade debtors	14,690	4,200
Provision for impairment of trade debtors	(143)	(206)
Net trade debtors	14,547	3,994
Debtors from related parties	1,024	3,778
Accrued income	240	707
Prepayments	2,121	980
Other debtors	567	541
	<u>18,499</u>	<u>10,000</u>

Debtors from related parties are unsecured, repayable on demand and interest is charged at market rate and adjusted for on a Group basis.

	<b>31 August 2022 £ 000</b>	<b>30 June 2022 £ 000</b>
<b>Trade and other debtors falling due after more than one year</b>		
Loans to related parties	<u>45,696</u>	<u>41,852</u>

Loans to related parties bear interest at a variable margin over the applicable SONIA rate and relate to acquisition funding in the wider Group.

#### 16 Cash and cash equivalents

	<b>31 August 2022 £ 000</b>	<b>30 June 2022 £ 000</b>
Cash at bank	<u>11,872</u>	<u>9,373</u>

## Aspris Children's Services Limited

### Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

#### 17 Creditors: amounts falling due within one year

	<b>31 August 2022 £ 000</b>	<b>30 June 2022 £ 000</b>
Trade creditors	2,353	1,225
Accrued expenses	8,864	7,433
Amounts due to related parties	-	(2)
Social security and other taxes	1,328	1,360
Outstanding defined contribution pension costs	250	522
Other creditors	4,945	3,334
Current portion of long term lease liabilities	3,974	5,937
Deferred income	26,646	16,019
	<u>48,360</u>	<u>35,828</u>

#### 18 Creditors: amounts falling due after more than one year

	<b>31 August 2022 £ 000</b>	<b>30 June 2022 £ 000</b>
Amounts due to related parties	163,464	162,438
Long term lease liabilities	153,492	144,699
	<u>316,956</u>	<u>307,137</u>

Amounts due to related parties bear interest at a variable margin over the applicable SONIA rate and relate to acquisition funding in the wider Group. The external funding of the Group is secured over the assets of the Group as a whole.

## Aspris Children's Services Limited

### Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022

#### 19 Leases

##### Leases included in creditors

	31 August 2022 £ 000	30 June 2022 £ 000
Current portion of long term lease liabilities	3,974	5,937
Long term lease liabilities	<u>153,492</u>	<u>144,699</u>

Interest on lease liabilities of £1,748,000 (18 Months to 30 June 2022 - £15,228,000) was recognised in the Profit and Loss Account.

#### 20 Other provisions

	Legal proceedings £ 000	Deferred tax £ 000	Total £ 000
At 1 July 2022	964	4,497	5,461
Charged in Profit and Loss Account	6	99	105
Used during period	<u>(19)</u>	<u>-</u>	<u>(19)</u>
At 31 August 2022	<u>951</u>	<u>4,596</u>	<u>5,547</u>

#### 21 Share capital

##### Allotted, called up and fully paid shares

	31 August 2022 No.	£	30 June 2022 No.	£
Ordinary shares of £1 each	<u>24,218,615</u>	<u>24,218,615</u>	<u>24,218,615</u>	<u>24,218,615</u>

#### 22 Pension and other schemes

##### Defined contribution pension scheme

The Company operates a defined contribution pension scheme on behalf of the Group. The pension cost charge for the period represents contributions attributable to the Company from the scheme and amounted to £662,000 (18 months to 30 June 2022 - £5,157,000).

Contributions totalling £250,000 (18 months to 30 June 2022 - £522,000) were payable to the scheme at the end of the period and are included in creditors.

## **Aspris Children's Services Limited**

### **Notes to the Unaudited Financial Statements for the Period from 1 July 2022 to 31 August 2022**

#### **23 Parent and ultimate parent undertaking**

The company's immediate parent is Aspris Bidco Limited.

The ultimate parent and controlling party is Waterland Private Equity Investments B.V.

The most senior parent entity producing publicly available financial statements is Aspris Holdco Limited. These financial statements are available upon request from The Forge, Church Street West, Woking, Surrey, GU21, 6HT, England

#### **Relationship between entity and parents**

The parent of the largest group in which these financial statements are consolidated is Aspris Holdco Limited, incorporated in England and Wales.

The address of Aspris Holdco Limited is:

The Forge, Church Street West, Woking, Surrey, GU21, 6HT

Aspris Holdco Limited is also the parent of the smallest group in which these financial statements are consolidated.