

Registration number: 07155337 4

**ASPIRATIONS (BIDCO) LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

Hazlewoods LLP  
Windsor House  
Bayshill Road  
Cheltenham  
GL50 3AT

TUESDAY



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COMPANIES HOUSE

## **ASPIRATIONS (BIDCO) LIMITED**

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## **ASPIRATIONS (BIDCO) LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	C Beck C I Cameron
<b>Registered office</b>	Unit B2 Elmbridge Court Cheltenham Road East Gloucester GL3 1JZ
<b>Solicitors</b>	Shoosmiths Apex Plaza Forbury Road Reading RG1 1SH
<b>Bankers</b>	HSBC Bank plc 8 Canada Square London E14 5HQ
<b>Auditors</b>	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

## **ASPIRATIONS (BIDCO) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018**

The directors present their report and the financial statements for the year ended 31 March 2018.

#### **Directors of the company**

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

C I Cameron

S M Booty (resigned 14 August 2017)

G P Buckley (resigned 1 April 2018)

L J Griffiths (resigned 1 July 2018)

A N Hassan (resigned 1 April 2018)

M Whyatt (resigned 1 February 2018)

The following director was appointed after the year end:

C Beck (appointed 1 April 2018)

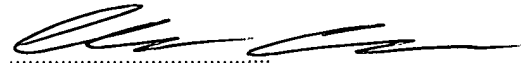
#### **Disclosure of information to the auditors**

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

#### **Reappointment of auditors**

Hazlewoods LLP have expressed their willingness to continue in office.

Approved by the Board on 12/11/18 and signed on its behalf by:



C I Cameron  
Director

## ASPIRATIONS (BIDCO) LIMITED

### STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2018

The directors present their strategic report for the year ended 31 March 2018.

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

Details of future developments, principal risks and uncertainties, key performance indicators, financial instruments and going concern are disclosed in the group financial statements of the company's parent company, Aspirations (Topco) Limited.

Approved by the Board on .....12/11/18..... and signed on its behalf by:



C I Cameron  
Director

## **ASPIRATIONS (BIDCO) LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

## **ASPIRATIONS (BIDCO) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASPIRATIONS (BIDCO) LIMITED**

#### **Opinion**

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

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

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

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

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

## ASPIRATIONS (BIDCO) LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASPIRATIONS (BIDCO) LIMITED

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

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

#### Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

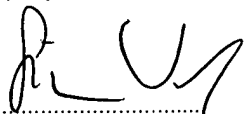
#### Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](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.



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

Windsor House  
Bayshill Road  
Cheltenham  
GL50 3AT

Date: 12 July 18



# ASPIRATIONS (BIDCO) LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2018

	Note	2018 £	2017 £
<b>Other income</b>		-	-
Administrative expenses		<u>(2,413,869)</u>	<u>(2,669,775)</u>
<b>Operating loss before exceptional items</b>	3	(2,413,869)	(2,669,775)
Exceptional items	4	<u>(349,569)</u>	<u>(30,835)</u>
<b>Operating loss after exceptional items</b>		(2,763,438)	(2,700,610)
Other interest receivable and similar income	7	2,824,656	934,733
Amounts written off investments		(10,699,834)	(10,449,134)
Interest payable and similar charges	8	(5,713,669)	(4,679,651)
Profit on disposal of subsidiaries	12	<u>3,444,711</u>	<u>-</u>
<b>Loss before tax</b>		(12,907,574)	(16,894,662)
Taxation	9	<u>513,841</u>	<u>561,901</u>
<b>Loss for the financial year</b>		<u><u>(12,393,733)</u></u>	<u><u>(16,332,761)</u></u>

Turnover and operating profit derive wholly from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 10 to 19 form an integral part of these financial statements.

**ASPIRATIONS (BIDCO) LIMITED**

**(REGISTRATION NUMBER: 07155337)  
BALANCE SHEET AS AT 31 MARCH 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	10	46,878	68,521
Investments	11	19,141,553	38,314,112
		<u>19,188,431</u>	<u>38,382,633</u>
<b>Current assets</b>			
Debtors: Amounts falling due within one year	13	83,679	101,300
Debtors: Amounts falling due after more than one year	13	6,533,926	15,989,437
Cash at bank and in hand		27,251	16,937
		<u>6,644,856</u>	<u>16,107,674</u>
Creditors: Amounts falling due within one year	14	<u>(6,199,319)</u>	<u>(39,329,151)</u>
Net current assets/(liabilities)		<u>445,537</u>	<u>(23,221,477)</u>
Total assets less current liabilities		<u>19,633,968</u>	<u>15,161,156</u>
Creditors: Amounts falling due after more than one year	14	<u>57,860,357</u>	<u>40,993,812</u>
<b>Capital and reserves</b>			
Called up share capital	18	825,000	825,000
Profit and loss account		<u>(39,051,389)</u>	<u>(26,657,656)</u>
Shareholders' deficit		<u>(38,226,389)</u>	<u>(25,832,656)</u>
Total capital, reserves and long term liabilities		<u>19,633,968</u>	<u>15,161,156</u>

Approved and authorised by the Board on 12/11/18 and signed on its behalf by:



C I Cameron  
Director

The notes on pages 10 to 19 form an integral part of these financial statements.

**ASPIRATIONS (BIDCO) LIMITED**

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

	<b>Share capital £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
At 1 April 2017	825,000	(26,657,656)	(25,832,656)
Loss for the year	-	(12,393,733)	(12,393,733)
At 31 March 2018	<u>825,000</u>	<u>(39,051,389)</u>	<u>(38,226,389)</u>

	<b>Share capital £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
At 1 April 2016	825,000	(10,324,895)	(9,499,895)
Loss for the year	-	(16,332,761)	(16,332,761)
At 31 March 2017	<u>825,000</u>	<u>(26,657,656)</u>	<u>(25,832,656)</u>

The notes on pages 10 to 19 form an integral part of these financial statements.

## **ASPIRATIONS (BIDCO) LIMITED**

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

#### **1 General information**

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

The address of its registered office is:

Unit B2  
Elmbridge Court  
Cheltenham Road East  
Gloucester  
GL3 1JZ

#### **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.

##### **Exemption from preparing a cash flow statement**

The company is exempt from preparing a cash flow statement on the grounds that it is a wholly owned subsidiary and a group cash flow statement is included in the financial statements of the parent company.

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

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Aspirations (Topco) Limited, a company incorporated in England and Wales, and is included in the consolidated accounts of that company.

##### **Statement of compliance**

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

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

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

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

##### **Name of parent of group**

These financial statements are consolidated in the financial statements of Aspirations (Topco) Limited.

The financial statements of Aspirations (Topco) Limited may be obtained from Companies House.

##### **Going concern**

The financial statements have been prepared on a going concern basis on the assumption that support from fellow group companies and its financiers will continue to be forthcoming for the foreseeable future.

##### **Judgements and estimation uncertainties**

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

## ASPIRATIONS (BIDCO) LIMITED

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

#### Tax

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

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

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

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

#### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold land and buildings	Over the term of the lease
Fixtures and fittings	Over 4 years on cost

#### Borrowings

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

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

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

#### Leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

#### Pensions

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

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

## ASPIRATIONS (BIDCO) LIMITED

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

#### Financial instruments

##### **Classification**

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

##### **Recognition and measurement**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amount and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

##### **Impairment**

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

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

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

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

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

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

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

# ASPIRATIONS (BIDCO) LIMITED

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

### 3 Operating loss

Operating loss is stated after charging:

	2018	2017
	£	£
Depreciation of tangible fixed assets	35,498	67,353
Auditors remuneration - The audit of the company's annual accounts	44,700	50,750
Auditors' remuneration - non audit work	33,030	15,775

### 4 Exceptional items

	2018	2017
	£	£
Exceptional expenses	349,569	30,835

Exceptional administrative expenses in both years comprises non-recurring staff costs and professional fees.

### 5 Staff costs

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

	2018	2017
	£	£
Wages and salaries	1,084,136	1,360,767
Social security costs	113,128	148,627
Pension costs, defined contribution scheme	5,070	6,583
	1,202,334	1,515,977

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

	2018	2017
	No.	No.
Administration and support	26	33

### 6 Directors' remuneration

The directors' remuneration for the year was as follows:

	2018	2017
	£	£
Remuneration	485,871	467,489
Company contributions paid to money purchase schemes	770	740
	486,641	468,229

In respect of the highest paid director:

	2018	2017
	£	£
Remuneration	213,166	146,500

# ASPIRATIONS (BIDCO) LIMITED

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

### 7 Other interest receivable and similar income

	2018 £	2017 £
Interest from group undertakings	71,019	934,733
Dividend income	2,753,637	-
	<u>2,824,656</u>	<u>934,733</u>

### 8 Interest payable and similar expenses

	2018 £	2017 £
Interest on bank borrowings	666,762	1,000,334
Interest on other loans	3,608,298	3,609,597
Interest on group borrowings	1,438,609	69,720
	<u>5,713,669</u>	<u>4,679,651</u>

### 9 Taxation

Tax charged on loss on ordinary activities

	2018 £	2017 £
<b>Current tax</b>		
Amount receivable from subsidiaries in respect of group relief	<u>(513,841)</u>	<u>(561,901)</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2017 - higher than the standard rate of corporation tax in the UK) of 19% (2017 - 20%).

The differences are reconciled below:

	2018 £	2017 £
Loss before tax	<u>(12,907,574)</u>	<u>(16,894,662)</u>
Corporation tax at standard rate	(2,452,439)	(3,378,932)
Effect of revenues exempt from taxation	(1,177,686)	-
Effect of expense not deductible in determining taxable profit (tax loss)	2,813,086	2,811,746
Tax increase from effect of capital allowances and depreciation	1,295	5,285
Group relief not reimbursed	<u>301,903</u>	<u>-</u>
Total tax credit	<u>(513,841)</u>	<u>(561,901)</u>



**ASPIRATIONS (BIDCO) LIMITED**

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

**10 Tangible assets**

	<b>Leasehold land and buildings £</b>	<b>Fixtures and fittings £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2017	56,575	321,218	377,793
Additions	-	13,855	13,855
Disposals	-	(160,539)	(160,539)
At 31 March 2018	<u>56,575</u>	<u>174,534</u>	<u>231,109</u>
<b>Depreciation</b>			
At 1 April 2017	53,761	255,511	309,272
Charge for the year	1,097	34,401	35,498
Eliminated on disposal	-	(160,539)	(160,539)
At 31 March 2018	<u>54,858</u>	<u>129,373</u>	<u>184,231</u>
<b>Carrying amount</b>			
At 31 March 2018	<u>1,717</u>	<u>45,161</u>	<u>46,878</u>
At 31 March 2017	<u>2,814</u>	<u>65,707</u>	<u>68,521</u>

# **ASPIRATIONS (BIDCO) LIMITED**

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

### **11 Investments in subsidiaries, joint ventures and associates**

	2018 £	2017 £
Shares in group undertakings and participating interests	<u>19,141,553</u>	<u>38,314,112</u>
<b>Subsidiaries</b>		£
<b>Cost</b>		
At 1 April 2017		48,763,246
Disposals		<u>(10,586,109)</u>
At 31 March 2018		<u>38,177,137</u>
<b>Provision</b>		
At 1 April 2017		10,449,134
Impairment charge for the year		10,699,834
Eliminated on disposals		<u>(2,113,384)</u>
At 31 March 2018		<u>19,035,584</u>
<b>Net book value</b>		
At 31 March 2018		<u>19,141,553</u>
At 31 March 2017		<u>38,314,112</u>

### **Details of undertakings**

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2018	2017
Subsidiary undertakings				
New Start Supported Housing	England and Wales	Ordinary	100%	100%
Aspirations Care limited	England and Wales	Ordinary	100%	100%
Maymask (183) Limited	England and Wales	Ordinary	100%	100%
Aspirations (Midlands) Limited*	England and Wales	Ordinary	100%	100%
The Leaving Care Company Limited	England and Wales	Ordinary	0%	100%
Keys Specialist Residential Children's Services Limited (formerly Aspirations Specialist Residential Children's Services Limited)	England and Wales	Ordinary	0%	100%
Crossways Care (Holdings) Limited	England and Wales	Ordinary	0%	100%
Crossways Care Limited*	England and Wales	Ordinary	0%	100%

## ASPIRATIONS (BIDCO) LIMITED

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

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

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

The principal activity of Maymask (183) Limited is that of a dormant parent company.

The principal activity of Aspirations (Midlands) Limited is the provision of supported living services.

The principal activity of The Leaving Care Company Limited is the provision of supported living services.

The principal activity of Keys Specialist Residential Children's Services Limited is the provision of supported living services.

The principal activity of Crossways Care (Holdings) Limited is that of a dormant parent company.

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

\*owned indirectly

#### 12 Disposal of subsidiary

On 31 January 2018, the company disposed of its interest in The Leaving Care Company Limited, Crossways Care Holdings Limited, Crossways Care Limited and Aspirations Specialist Residential Children's Services Limited. The gain on disposal of The Leaving Care Company Limited, Crossways Care Holdings Limited, Crossways Care Limited and Aspirations Specialist Residential Children's Services Limited was £3,444,711.

#### 13 Debtors

	2018 £	2017 £
Trade debtors	23,693	7,125
Amounts owed by group undertakings	6,533,926	15,989,437
Other debtors	17,696	31,298
Prepayments and accrued income	42,290	62,877
	<u>6,617,605</u>	<u>16,090,737</u>
Less non-current portion	<u>(6,533,926)</u>	<u>(15,989,437)</u>
	<u>83,679</u>	<u>101,300</u>

#### Details of non-current trade and other debtors

£6,533,926 (2017 - £15,989,437) of amounts owed by group undertakings is classified as non-current.

# ASPIRATIONS (BIDCO) LIMITED

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

### 14 Creditors

	Note	2018 £	2017 £
<b>Due within one year</b>			
Bank loans and overdrafts	15	5,437,452	38,773,760
Trade creditors		382,724	349,595
Other taxes and social security		10,795	22,417
Other creditors		203,033	9,412
Accruals and deferred income		165,315	173,967
		<u>6,199,319</u>	<u>39,329,151</u>
<b>Due after one year</b>			
Loans and borrowings	15	28,866,380	28,866,380
Accruals		10,442,228	6,833,931
Amounts owed to group undertakings		18,551,749	5,293,501
		<u>57,860,357</u>	<u>40,993,812</u>

Details of the security on bank loans is disclosed in note 15.

### 15 Loans and borrowings

	2018 £	2017 £
<b>Current loans and borrowings</b>		
Bank borrowings	5,325,800	16,325,800
Bank overdrafts	111,652	22,447,960
	<u>5,437,452</u>	<u>38,773,760</u>
<b>Non-current loans and borrowings</b>		
Other borrowings	<u>28,866,380</u>	<u>28,866,380</u>

The bank loans are secured by a debenture over the assets and undertakings of each company in the group. The loan notes are unsecured.

Bank loans total £5,325,800 (2017 - £16,325,800) after adding £62,000 (2017 - £62,000), of costs associated with the raising of this finance which is being released to the profit and loss account over the term of the debt (i.e total bank loans were £5,263,800 at 31 March 2018 and £16,263,800 at 31 March 2017). A proportion of the bank loans were repaid during the year following the sale of certain subsidiaries. The remaining bank loan facilities were renewed in June 2018. Interest is levied at a rate of between 4% and 4.5% over LIBOR per annum, subject to the group's compliance with banking covenants.

Included in the analysis of loan notes is £28,866,380 (2017 - £28,866,380) which were repayable in full on 31 March 2017. Interest is levied at the rate of 12.5% per annum. The loan notes have continued to be shown within non-current loans and borrowings on the basis that the loan note holder has agreed, with the group's bankers to defer any capital repayments until at least after 1 September 2019.

## ASPIRATIONS (BIDCO) LIMITED

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

#### 16 Obligations under leases and hire purchase contracts

##### Operating leases

The total of future minimum lease payments is as follows:

	2018 £	2017 £
Not later than one year	-	11,172

#### 17 Pension and other schemes

##### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £5,070 (2017 - £6,583).

Contributions totalling £833 (2017 - £17,998) were payable to the scheme at the end of the year and are included in creditors.

#### 18 Share capital

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

	2018 No.	£	2017 No.	£
Ordinary shares of £1 each	825,000	825,000	825,000	825,000

#### 19 Contingent assets

The disposal of the subsidiaries detailed in note 12 include potential additional consideration not recognised of £770,000. This consideration is payable to the group, subject to whether any future liabilities arise in those subsidiaries in relation to the HMRC compliance issue disclosed below. Any liabilities arising following completion of the HMRC review will be deducted from the amount due to the group and no amount will be paid to the group by the acquirer of those subsidiaries until the issue has been concluded.

#### 20 Related party transactions

During the year £3,608,297 (2017 - £3,637,333) of loan note interest was accrued at a rate of 12.5% per annum on the loan notes owed to the company's ultimate controlling party, August Equity Partners II GP Limited. During the year, the company accrued monitoring fees of £90,000 (2017 - £90,000) to August Equity LLP, a connected party of August Equity Partners II GP Limited.

#### 21 Parent and ultimate parent undertaking

The company is controlled by Aspirations (Topco) Limited which is registered in England and Wales.

The ultimate parent company is August Equity Partners II GP Limited, a company registered in Scotland, which is considered to have no single controlling party.