

**EDEN CARE & SUPPORT GROUP LIMITED**  
**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

## EDEN CARE & SUPPORT GROUP LIMITED

### Contents

Company Information	<u>1</u>
Strategic Report	<u>2 to 4</u>
Directors' Report	<u>5 to 7</u>
Statement of Directors' Responsibilities	<u>8</u>
Independent Auditor's Report	<u>9 to 11</u>
Consolidated Profit and Loss Account	<u>12</u>
Consolidated Balance Sheet	<u>13</u>
Balance Sheet	<u>14</u>
Consolidated Statement of Changes in Equity	<u>15</u>
Statement of Changes in Equity	<u>16</u>
Consolidated Statement of Cash Flows	<u>17</u>
Notes to the Financial Statements	<u>18 to 31</u>

## **EDEN CARE & SUPPORT GROUP LIMITED**

### **Company Information**

<b>Directors</b>	D A Berry S J Collier A P Dean M Nichol-Smith
<b>Registered office</b>	Friary House 17a Friary Road Newark Nottinghamshire NG24 1LE
<b>Bankers</b>	Lloyds Bank plc Birmingham OSC Ariel House 2138 Coventry Road Sheldon Birmingham B26 3JW Tosca Debt Capital LLP 26 Cross Street Manchester M2 7AQ
<b>Auditors</b>	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

## **EDEN CARE & SUPPORT GROUP LIMITED**

### **Strategic Report for the Year Ended 31 March 2020**

The directors present their strategic report for the year ended 31 March 2020.

#### **Principal activity**

The principal activity of the company is that of a holding company.

The principal activity of the group is that of providing services for people with disabilities and support needs at all stages of their care pathway from supported living through to support under the Mental Health Act.

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

The results for the year, which are set out in the profit and loss account, show an operating profit before exceptional items of £1,822,856 (2019 - £1,108,596). At 31 March 2020, the group had tangible fixed assets, intangible fixed assets and investments of £8,944,740 (2019 - £9,866,422). The directors consider the results for the year and the financial position of the group at the year end to be satisfactory.

Trading during the year benefited from the continuing maturity of four new sites which were opened during year ended 31 March 2019. A further service was opened in March 2020 (eight apartments and two shared houses, each with four bedrooms). The impact of maturity of new developments, along with wage increases principally in line with National Living Wage, adversely impacted gross profit % which was 34.8% for 31 March 2020 (2019: 35.8%).

The financial KPIs that are principally used to monitor the business are EBITDA, Gross profit %, and average weekly fee.

Non financial measures is principally occupancy.

In the year end March 2020 average weekly fee increased to £1,050 (2019 - £944) driven by a combination of local authority fee increases (average of c. 2.5%), and a positive churn where service users who leave are replaced with service users yielding a higher average weekly fee.

Average occupancy in the year end March 2020 was 326 (2019: 307) the increase being driven by the new services opened in year.

## **EDEN CARE & SUPPORT GROUP LIMITED**

### **Strategic Report for the Year Ended 31 March 2020**

#### **Principal risks and uncertainties**

##### **Financial risk management**

The group is funded by a combination of loan notes and bank borrowings. As at 31 March 2020 borrowings include loan notes of £14.4m (2019 - £14.4m) and bank borrowings of £10.3m (2019 - £10.0m).

The bank borrowings are subject to a fixed margin plus LIBOR which is subject to market fluctuations. An element of bank interest is rolled up and paid on termination. Following an assessment of interest rates the Board has elected not to put hedging arrangements in place in relation to the variable bank interest but the Board will keep this policy under review.

In relation to Covid-19 the principal risk to the group surrounds the additional costs of Personal Protective Equipment. The group has received contributions from Local Authorities in relation to costs incurred to date and therefore the Directors do not consider that these costs will have a materially detrimental impact on the financial results for the year ended 31 March 2021.

##### **Liquidity risk**

The group seeks to ensure that sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely. Cash flow is forecast on a daily basis to monitor the Group's liquidity position.

The group's principal sources of income are Local Authorities and NHS Commissioning Groups. Since the start of the Covid-19 pandemic, cash flows have been carefully monitored to ensure any liquidity risk is swiftly identified. To date all payments have been received on time and cashflows have continued in line with forecast.

## **EDEN CARE & SUPPORT GROUP LIMITED**

### **Strategic Report for the Year Ended 31 March 2020**

#### **Section 172 Statement**

The directors believe that they have effectively implemented their duties under section 172 of the Companies Act 2006. The company has considered the long-term strategy of the business below and consider that this strategy will continue to deliver long term success to the business and its stakeholders.

The group recognises the importance of engagement with key stakeholders as outlined below.

The group is committed to delivering high quality care and support with currently all services being rated 'Good' by CQC.

We seek to actively engage with Local Authorities and Clinical Commissioning Groups both around existing services as well as ensuring complete 'buy-in' for all new developments.

We have an active Expert by Experience Board where a number of service user representatives meet with the executive directors to discuss issues currently affecting the Group. Examples of matters discussed includes reactivity of Housing Provider partners, the recruitment process for staff and during recent months the response to the Covid-19 pandemic. The meetings include discussions around staffing structures, particularly as the group continues to grow

We engage with employees through our Integrated Governance process where matters discussed at Executive Team meetings are cascaded to all employees in the group through group supervisions. More recently we have also introduced an ambassador programme whereby Support Workers meet with the Chief Executive Officer and Head of HR to discuss matters affecting them.

The directors regularly engage with its larger Housing Provider partners to discuss matters of mutual interest including repairs and maintenance of Apartments/Houses, any tenant related issues and future developments. When designing new developments we work closely with Housing Provider partners to ensure that steps are taken to minimise environmental impact including

- Energy efficient lighting and insulation installed
- Sites are situated close to transport links and bike shelters installed where possible to minimise dependence on cars
- New developments are generally redevelopments of existing housing or built on brownfield sites

#### **Strategy**

The group's primary area of activity was supporting adults with learning disabilities, autism or Mental Health illnesses in independent supported living environments.

The group's strategy is to support more people living with complex learning disabilities, autism or mental health illnesses with high quality care. In order to do this it is vital that we recruit, train and retain a high calibre team of Support Workers and Managers in all areas that we operate.

The group's strategy is to grow, increase the number of units by about 10% each year whilst ensuring that we maintain high quality levels of care and support.

Approved by the Board on 23 September 2020 and signed on its behalf by:

.....  
A P Dean  
Director

## **EDEN CARE & SUPPORT GROUP LIMITED**

### **Directors' Report for the Year Ended 31 March 2020**

The directors present their report and the for the year ended 31 March 2020.

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

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

D A Berry

S J Collier

A P Dean

M Nichol-Smith

A G Lennox (resigned 31 July 2019)

#### **Financial instruments**

##### ***Objectives and policies***

The board constantly monitors the group's trading results and revise projections as appropriate to ensure that the group can meet its future obligations as they fall due.

##### ***Price risk, credit risk, liquidity risk and cash flow risk***

The group is exposed to the usual credit and cash flow risks associated with selling on credit and manages this through credit control procedures. The nature of its financial instruments are such that they are not subject to price risk or liquidity risk.

In accordance with the Financial Reporting Council's 'Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009' the directors of all companies are now required to provide disclosures regarding the adoption of the going concern basis of accounting.

The group has sufficient financial resources available and continues to trade profitably generating cash. The directors have prepared forecasts for the next 12 months that indicate that these trends will continue. The directors therefore have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

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

The group's policy is to consider the recruitment of disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person, to enable them to perform work identified as appropriate to their aptitudes and abilities.

##### **Employee involvement**

The group encourages the involvement of employees in its management through regular departmental meetings and company briefings from the executive directors.

## EDEN CARE & SUPPORT GROUP LIMITED

### Directors' Report for the Year Ended 31 March 2020

#### Future developments

The external environment is expected to remain competitive going forward. However, the directors remain confident that the group will improve its current level of performance in the future and will continue to trade as a going concern.

#### Carbon and energy reporting

##### *Change in Emissions*

Our emissions are reported for the first year under Streamlined Energy and Carbon Reporting and therefore we will be monitoring any changes in the coming financial period so that any changes are captured in that report.

##### *Approach*

We have followed the UK Government's environmental reporting Guidance on how to measure and report greenhouse gas emissions.

##### *Organisational boundary*

We have used the financial control approach.

##### *Operational Scopes*

We have measured our scope 1, scope 2 and partial scope 3 emissions. Electricity and gas are the primary and only utilities used, there is transport activity but no heating or cooling purchases. Emissions from air conditioning and refrigeration units in office buildings excluded due to cost of data collection. These are estimated to account for less than 0.5% of total scope 1 emissions.

GHG emissions data for period 1 April to 31 March 2020	Global tonnes of CO2 2020
Gas Consumption	25
Transport (direct fuel emissions)	6
<b>Total Scope 1</b>	<b>31</b>
Electricity Consumption	22
<b>Total Scope 2</b>	<b>22</b>
Transport data (indirect emissions via employees' mileage claims)	37
<b>Total Scope 3</b>	<b>37</b>
Total Gross emissions	90
Carbon Offsets	0
Electricity Consumption based on 100% Renewable	0
<b>Total annual net emissions</b>	<b>90</b>
Intensity measurement Tonnes of CO2e per £1,000 revenue	0.005

##### *Geographical Breakdown*

All activities are based in the United Kingdom.



## EDEN CARE & SUPPORT GROUP LIMITED

### Directors' Report for the Year Ended 31 March 2020

#### *Base Year*

We have a fixed base year of the year ended 31 March 2020. We chose this year as it was the first year for which we considered that we had reliable data and it was typical in respect of our operations. Our base year recalculation policy is to recalculate our base year and the prior year emissions for relevant significant changes which meet our significance threshold of 5% of base year emissions.

#### *Targets*

Our emissions reduction target is to reduce our gross, global scope 1 and 2 emissions in tonnes of CO<sub>2</sub>e by 5% from the year ended 31 March 2020 to the year ending 31 March 2021.

#### *Intensity measurement*

We have chosen the metric gross global scope 1,2 and 3 emissions in tonnes of CO<sub>2</sub>e per square meter of total area of entire portfolio as this is a common business metric for our industry sector.

#### *Carbon Offsets – Green Tariff (electricity)*

None.

#### *Energy Efficiency Action Taken (ESOS)*

The recent Energy Savings Opportunity Scheme (ESOS) assessment for our company has identified a few opportunities of which were going to be implemented but had to be paused due to the Coronavirus. Epigrammatically, the measures and projects that were initiated and left at a planning stage are as follows:

Savings Opportunity	Energy Saving kWh/year	Cost Savings £/ year	Payback Period Years
LED Lighting	17,790	3,024	0.98
Employee Training and Engagement	86.91	36	24.04
Building Management Systems (BMS)	15,907	1,567	15
aM&T	15,907	1,567	5

We are committed to reducing our overall energy and emissions footprint and therefore, should the current circumstances allow, we shall resume with planning and implementing our energy efficiency and carbon reduction programmes.

#### **Disclosure of information to the auditor**

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 auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

#### **Reappointment of auditors**

Hazlewoods LLP have expressed their willingness to continue in office.

Approved by the Board on 23 September 2020 and signed on its behalf by:

.....  
A P Dean  
Director

## **EDEN CARE & SUPPORT GROUP 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 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **EDEN CARE & SUPPORT GROUP LIMITED**

### **Independent Auditor's Report to the Members of Eden Care & Support Group Limited**

#### **Opinion**

We have audited the financial statements of Eden Care & Support Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2020, which comprise the Consolidated Profit and Loss Account, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cash Flows, 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 group's and the parent company's affairs as at 31 March 2020 and of the group's 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 group 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 group's or the parent 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.

## **EDEN CARE & SUPPORT GROUP LIMITED**

### **Independent Auditor's Report to the Members of Eden Care & Support Group Limited**

#### **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.

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

In the light of our knowledge and understanding of the group and the parent 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 8, 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 group's and the parent 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 group or the parent 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.

## **EDEN CARE & SUPPORT GROUP LIMITED**

### **Independent Auditor's Report to the Members of Eden Care & Support Group Limited**

#### **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.

.....  
Martin Howard (Senior Statutory Auditor)  
For and on behalf of Hazlewoods LLP, Statutory Auditor  
Windsor House  
Bayshill Road  
Cheltenham  
GL50 3AT

23 September 2020

**EDEN CARE & SUPPORT GROUP LIMITED****Consolidated Profit and Loss Account for the Year Ended 31 March 2020**

	<b>Note</b>	<b>2020 £</b>	<b>2019 £</b>
Turnover	<u>3</u>	19,210,951	16,451,063
Cost of sales		<u>(12,518,198)</u>	<u>(10,569,312)</u>
Gross profit		6,692,753	5,881,751
Administrative expenses		(4,869,897)	(4,773,155)
Exceptional items		<u>14,949</u>	<u>(29,024)</u>
Operating profit	<u>4</u>	1,837,805	1,079,572
Other interest receivable and similar income	<u>6</u>	669,398	522,333
Interest payable and similar charges	<u>7</u>	<u>(3,395,980)</u>	<u>(3,493,046)</u>
Loss before tax		(888,777)	(1,891,141)
Taxation	<u>11</u>	<u>(37,655)</u>	<u>(430,493)</u>
Loss for the financial year		<u><u>(926,432)</u></u>	<u><u>(2,321,634)</u></u>

The above results were derived from continuing operations.

The group has no other comprehensive income for the year.

The notes on pages 18 to 31 form an integral part of these financial statements.

# EDEN CARE & SUPPORT GROUP LIMITED

(Registration number: 07275410)

Consolidated Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	<u>12</u>	8,513,756	9,273,293
Tangible assets	<u>13</u>	430,984	593,129
		<u>8,944,740</u>	<u>9,866,422</u>
<b>Current assets</b>			
Debtors: Amounts falling due within one year	<u>15</u>	1,601,485	1,713,865
Debtors: Amounts falling due after more than one year	<u>15</u>	8,891,598	7,567,393
Cash at bank and in hand		<u>870,370</u>	<u>585,619</u>
		11,363,453	9,866,877
Creditors: Amounts falling due within one year	<u>16</u>	<u>(2,797,825)</u>	<u>(2,807,500)</u>
Net current assets		<u>8,565,628</u>	<u>7,059,377</u>
Total assets less current liabilities		17,510,368	16,925,799
		<u><u>                    </u></u>	<u><u>                    </u></u>
Provisions for liabilities		-	-
Creditors: Amounts falling due after more than one year	<u>16</u>	<u>34,183,833</u>	<u>32,672,832</u>
<b>Capital and reserves</b>			
Called up share capital	<u>19</u>	1,317	1,317
Retained earnings		<u>(16,674,782)</u>	<u>(15,748,350)</u>
Total equity		<u>(16,673,465)</u>	<u>(15,747,033)</u>
Total capital, reserves and long term liabilities		<u><u>17,510,368</u></u>	<u><u>16,925,799</u></u>

Approved and authorised by the Board on 23 September 2020 and signed on its behalf by:

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A P Dean  
Director

The notes on pages 18 to 31 form an integral part of these financial statements.

# EDEN CARE & SUPPORT GROUP LIMITED

(Registration number: 07275410)

Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	<u>12</u>	-	-
Investments	<u>14</u>	3	3
		<u>3</u>	<u>3</u>
<b>Current assets</b>			
Debtors: Amounts falling due within one year	<u>15</u>	9,844	8,861
Debtors: Amounts falling due after more than one year	<u>15</u>	29,359,130	28,006,333
Cash at bank and in hand		874	544
		<u>29,369,848</u>	<u>28,015,738</u>
Creditors: Amounts falling due within one year	<u>16</u>	(790,589)	(1,195,271)
Net current assets		<u>28,579,259</u>	<u>26,820,467</u>
Total assets less current liabilities		<u>28,579,262</u>	<u>26,820,470</u>
Creditors: Amounts falling due after more than one year	<u>16</u>	39,125,134	36,037,599
<b>Capital and reserves</b>			
Called up share capital	<u>19</u>	1,317	1,317
Retained earnings		(10,547,189)	(9,218,446)
Total equity		<u>(10,545,872)</u>	<u>(9,217,129)</u>
Total capital, reserves and long term liabilities		<u>28,579,262</u>	<u>26,820,470</u>

The company made a loss after tax for the financial year of £1,328,743 (2019 - loss of £2,025,707).

Approved and authorised by the Board on 23 September 2020 and signed on its behalf by:

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A P Dean  
Director

The notes on pages 18 to 31 form an integral part of these financial statements.



# EDEN CARE & SUPPORT GROUP LIMITED

## Consolidated Statement of Changes in Equity for the Year Ended 31 March 2020 Equity attributable to the parent company

	Share capital £	Profit and loss account £	Total £
At 1 April 2019	1,317	(15,748,350)	(15,747,033)
Loss for the year	-	(926,432)	(926,432)
At 31 March 2020	1,317	(16,674,782)	(16,673,465)

	Share capital £	Profit and loss account £	Total £
At 1 April 2018	1,317	(13,426,716)	(13,425,399)
Loss for the year	-	(2,321,634)	(2,321,634)
At 31 March 2019	1,317	(15,748,350)	(15,747,033)

The notes on pages 18 to 31 form an integral part of these financial statements.

**EDEN CARE & SUPPORT GROUP LIMITED****Statement of Changes in Equity for the Year Ended 31 March 2020**

	<b>Share capital</b> £	<b>Profit and loss</b> <b>account</b> £	<b>Total</b> £
At 1 April 2019	1,317	(9,218,446)	(9,217,129)
Loss for the year	-	(1,328,743)	(1,328,743)
At 31 March 2020	<u>1,317</u>	<u>(10,547,189)</u>	<u>(10,545,872)</u>

	<b>Share capital</b> £	<b>Profit and loss</b> <b>account</b> £	<b>Total</b> £
At 1 April 2018	1,317	(7,192,739)	(7,191,422)
Loss for the year	-	(2,025,707)	(2,025,707)
At 31 March 2019	<u>1,317</u>	<u>(9,218,446)</u>	<u>(9,217,129)</u>

The notes on pages 18 to 31 form an integral part of these financial statements.

# EDEN CARE & SUPPORT GROUP LIMITED

## Consolidated Statement of Cash Flows for the Year Ended 31 March 2020

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Loss for the year		(926,432)	(2,321,634)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	<u>4</u>	1,004,760	1,086,855
Finance income	<u>6</u>	(669,398)	(522,333)
Finance costs	<u>7</u>	3,395,980	3,493,046
Income tax expense	<u>11</u>	37,655	430,493
		<u>2,842,565</u>	<u>2,166,427</u>
Working capital adjustments			
Increase in trade debtors	<u>15</u>	(1,197,852)	(1,743,827)
Increase in trade creditors	<u>16</u>	1,243,476	3,621,869
		<u>2,888,189</u>	<u>4,044,469</u>
Cash generated from operations			
Income taxes paid	<u>11</u>	-	(24,103)
Net cash flow from operating activities		<u>2,888,189</u>	<u>4,020,366</u>
<b>Cash flows from investing activities</b>			
Interest received		669,398	522,333
Acquisitions of tangible assets		(83,078)	(48,981)
Net cash flows from investing activities		<u>586,320</u>	<u>473,352</u>
<b>Cash flows from financing activities</b>			
Interest paid		(3,189,758)	(8,760,356)
Proceeds from bank borrowing draw downs		-	10,000,000
Repayment of bank borrowing		-	(3,261,512)
Repayment of other borrowing		-	(2,000,000)
Financing costs paid on new loans		-	(729,451)
Net cash flows from financing activities		<u>(3,189,758)</u>	<u>(4,751,319)</u>
Net increase/(decrease) in cash and cash equivalents		284,751	(257,601)
Cash and cash equivalents at 1 April		<u>585,619</u>	<u>843,220</u>
Cash and cash equivalents at 31 March		<u><u>870,370</u></u>	<u><u>585,619</u></u>

The notes on pages 18 to 31 form an integral part of these financial statements.

# **EDEN CARE & SUPPORT GROUP LIMITED**

## **Notes to the Financial Statements for the Year Ended 31 March 2020**

### **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:

Friary House  
17a Friary Road  
Newark  
Nottinghamshire  
NG24 1LE

### **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.

#### **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.

#### **Basis of consolidation**

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 March 2020.

A subsidiary is an entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

## **EDEN CARE & SUPPORT GROUP LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 March 2020**

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

#### **Going concern**

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

#### **Judgements and estimation uncertainty**

The directors consider that there are no key areas of judgement or estimation uncertainty to be disclosed in these financial statements. .

#### **Revenue recognition**

Turnover represents the amounts receivable during the year for the provision of care services. Where the amount received relates to a period which covers the balance sheet date, that amount is apportioned over the period to which it relates.

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### **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 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 group 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 consolidated financial statements and on unused tax losses or tax credits in the group. 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**

Tangible assets are stated in the statement of financial position 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.

## EDEN CARE & SUPPORT GROUP LIMITED

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### Depreciation

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

Asset class	Depreciation method and rate
Freehold land and buildings	Straight line over 100 years. Freehold land is not depreciated
Long leasehold land and buildings	Straight line over the life of the lease
Fixtures and fittings	15% reducing balance
Office equipment	Straight line over 4 years
Motor vehicles	25% reducing balance

#### Intangible assets

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the group'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 accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Negative goodwill arising on an acquisition is recognised on the face of the balance sheet on the acquisition date and subsequently the excess up to the fair value of non-monetary assets acquired is recognised in profit or loss in the periods in which the non-monetary assets are recovered.

#### Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill relating to fees associated with the purchase and hive up of Jack Smith Properties Limited	Straight line over 5 years
Goodwill relating to the acquisition of Jack Smith Properties Limited	Straight line over 20 years

#### Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Dividends on equity securities are recognised in income when receivable.

#### 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 change in value.

#### Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the debtors.

## **EDEN CARE & SUPPORT GROUP LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 March 2020**

#### **Creditors**

Trade creditors 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 the group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

#### **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 group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

#### **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 pension fund and the group 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.

## EDEN CARE & SUPPORT GROUP LIMITED

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 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.

##### **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.

#### 3 Revenue

The total turnover of the group for the year has been derived from rendering of services of its principal activity wholly undertaken in the United Kingdom.



## EDEN CARE & SUPPORT GROUP LIMITED

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 4 Operating profit

Arrived at after charging

	2020 £	2019 £
Depreciation expense	245,223	327,318
Amortisation expense	759,537	759,537
Operating lease expense - property	1,092,051	1,026,931

#### 5 Exceptional items

	2020 £	2019 £
Exceptional (income)/expenses	(14,949)	29,024

The exceptional administrative expenses incurred during the year relate to non-recurring legal fees of £24,328 and agency costs associated with Covid-19 of £2,715. Exceptional income in the year relates to a provision which has subsequently been resolved of £41,992.

The exceptional administrative expenses incurred in the prior year relate to non-recurring staff costs of £4,047 and refinancing costs of £24,977.

#### 6 Other interest receivable and similar income

	2020 £	2019 £
Interest receivable from connected companies	669,072	522,333
Other finance income	326	-
	669,398	522,333

#### 7 Interest payable and similar expenses

	2020 £	2019 £
Interest on bank overdrafts and borrowings	1,010,963	442,866
Interest and costs on loan notes	1,570,633	2,177,619
Interest payable to connected companies	561,045	563,882
Other finance costs adjacent to interest	253,339	308,679
	3,395,980	3,493,046

## EDEN CARE & SUPPORT GROUP LIMITED

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 8 Staff costs

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

	2020 £	2019 £
Wages and salaries	12,691,204	11,486,513
Social security costs	938,892	808,714
Pension costs, defined contribution scheme	290,723	200,599
	<u>13,920,819</u>	<u>12,495,826</u>

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

	2020 No.	2019 No.
Management and administration	63	57
Care and support	609	592
	<u>672</u>	<u>649</u>

#### 9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2020 £	2019 £
Remuneration	424,146	494,300
Contributions paid to money purchase schemes	21,823	19,016
	<u>445,969</u>	<u>513,316</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2020 No.	2019 No.
Accruing benefits under money purchase pension scheme	<u>3</u>	<u>3</u>

In respect of the highest paid director:

	2020 £	2019 £
Remuneration	146,439	162,464
Company contributions to money purchase pension schemes	<u>10,077</u>	<u>2,700</u>

# EDEN CARE & SUPPORT GROUP LIMITED

## Notes to the Financial Statements for the Year Ended 31 March 2020

### 10 Auditors' remuneration

	2020 £	2019 £
Audit of these financial statements	8,600	8,450
<b>Other fees to auditors</b>		
All other non-audit services	4,400	6,550

### 11 Taxation

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

	2020 £	2019 £
<b>Current taxation</b>		
UK corporation tax	51,004	-
UK corporation tax adjustment to prior periods	-	(17,794)
	51,004	(17,794)
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	(13,349)	448,287
Tax expense in the income statement	37,655	430,493

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2019 - the same as the standard rate of corporation tax in the UK) of 19% (2019 - 19%).

The differences are reconciled below:

	2020 £	2019 £
Loss before tax	(888,777)	(1,891,141)
Corporation tax at standard rate	(168,868)	(359,317)
Effect of expense not deductible in determining taxable profit (tax loss)	79,087	631,879
Deferred tax credit relating to changes in tax rates or laws	(16,319)	(193,212)
Deferred tax credit from unrecognised temporary difference from a prior period	(34,483)	-
Increase in UK and foreign current tax from adjustment for prior periods	-	205,109
Tax increase from effect of capital allowances and depreciation	178,238	146,034
Total tax charge	37,655	430,493

## EDEN CARE & SUPPORT GROUP LIMITED

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### Deferred tax

##### Group

Deferred tax assets and liabilities

	<b>Asset £</b>
<b>2020</b>	
Accelerated capital allowances	25,942
Short term timing differences	5,964
	<u>31,906</u>
	<b>Asset £</b>
<b>2019</b>	
Accelerated capital allowances	16,345
Short term timing differences	2,212
	<u>18,557</u>

#### 12 Intangible assets

##### Group

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 April 2019 and at 31 March 2020	<u>17,185,127</u>
<b>Amortisation</b>	
At 1 April 2019	7,911,834
Amortisation charge	<u>759,537</u>
At 31 March 2020	<u>8,671,371</u>
<b>Carrying amount</b>	
At 31 March 2020	<u>8,513,756</u>
At 31 March 2019	<u>9,273,293</u>

# EDEN CARE & SUPPORT GROUP LIMITED

## Notes to the Financial Statements for the Year Ended 31 March 2020

### Company

	Goodwill £
<b>Cost</b>	
At 1 April 2019 and at 31 March 2020	1,994,379
<b>Amortisation</b>	
At 1 April 2019 and at 31 March 2020	<u>1,994,379</u>
<b>Carrying amount</b>	
At 31 March 2019 and at 31 March 2020	<u><u>-</u></u>

### 13 Tangible assets

#### Group

	Land and buildings £	Furniture, fittings and equipment £	Total £
<b>Cost</b>			
At 1 April 2019	224,523	3,101,836	3,326,359
Additions	<u>-</u>	<u>83,078</u>	<u>83,078</u>
At 31 March 2020	<u>224,523</u>	<u>3,184,914</u>	<u>3,409,437</u>
<b>Depreciation</b>			
At 1 April 2019	219,572	2,513,658	2,733,230
Charge for the year	<u>1,874</u>	<u>243,349</u>	<u>245,223</u>
At 31 March 2020	<u>221,446</u>	<u>2,757,007</u>	<u>2,978,453</u>
<b>Carrying amount</b>			
At 31 March 2020	<u><u>3,077</u></u>	<u><u>427,907</u></u>	<u><u>430,984</u></u>
At 31 March 2019	<u><u>4,951</u></u>	<u><u>588,178</u></u>	<u><u>593,129</u></u>

Included within the net book value of land and buildings above is £3,077 (2019 - £4,951) in respect of leasehold property.

## EDEN CARE & SUPPORT GROUP LIMITED

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 14 Investments

##### Company

	2020	2019
	£	£
Investments in subsidiaries	3	3

##### Subsidiaries

£

##### Cost and carrying amount

At 1 April 2019 and at 31 March 2020

3

#### Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2020	2019
Subsidiary undertakings				
Eden Care and Support Group Trustees Limited	England and Wales	Ordinary	100%	100%
Eden Care & Support Group Midco Limited		Ordinary	100%	100%
Eden Holdings Financing Limited	England and Wales	Ordinary	100%	100%
Eden Supported Living Limited		Ordinary	100%	100%
Eden Supported Housing Limited	England and Wales	Ordinary	100%	100%
Friary House Training Ltd		Ordinary	100%	100%

The principal activity of Eden Care and Support Group Trustees Limited is that of a corporate trustee for an Employee Benefit Trust.

The principal activity of Eden Care & Support Group Midco Limited is that of a dormant company.

The principal activity of Eden Holdings Financing Limited is that of a holding company. The company is owned indirectly via Eden Care & Support Group Midco Limited.

The principal activity of Eden Supported Living Limited is the provision of supported living services. The company is held indirectly via Eden Holdings Financing Limited.

The principal activity of Eden Supported Housing Limited is that of a dormant company. The company is held indirectly via Eden Holdings Financing Limited.

The principal activity of Friary House Training Ltd is that of a dormant company. The company is held indirectly via Eden Supported Living Limited.

# EDEN CARE & SUPPORT GROUP LIMITED

## Notes to the Financial Statements for the Year Ended 31 March 2020

### 15 Debtors

		Group		Company	
	Note	2020 £	2019 £	2020 £	2019 £
Trade debtors		890,126	1,040,768	-	-
Other debtors		102,853	35,355	-	-
Prepayments		139,253	107,079	889	529
Accrued income		428,392	503,774	-	-
Deferred tax assets	<u>11</u>	31,906	18,557	-	-
Corporation tax asset	<u>11</u>	8,955	8,332	8,955	8,332
Amounts owed by group undertakings		-	-	29,266,411	27,920,238
Amounts owed by connected companies	<u>21</u>	8,891,598	7,567,393	92,719	86,095
		10,493,083	9,281,258	29,368,974	28,015,194
Less non-current portion		(8,891,598)	(7,567,393)	(29,359,130)	(28,006,333)
Total current trade and other debtors		<u>1,601,485</u>	<u>1,713,865</u>	<u>9,844</u>	<u>8,861</u>

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

#### Group

£8,891,598 (2019 - £7,567,393) of amounts owed by connected companies is classified as non-current.

#### Company

£92,719 (2019- £86,095) of amounts owed by connected companies is classified as non-current.

£29,266,411 (2019- £27,920,238) of amounts owed by group undertakings is classified as non-current.

## EDEN CARE & SUPPORT GROUP LIMITED

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 16 Creditors

		Group		Company	
	Note	2020 £	2019 £	2020 £	2019 £
<b>Due within one year</b>					
Trade creditors		357,739	176,426	-	-
Social security and other taxes		187,799	171,218	-	-
Other creditors		1,094,767	946,133	4,620	4,707
Accrued expenses		1,087,528	1,513,723	785,969	1,190,564
Corporation tax liability	11	69,992	-	-	-
		<u>2,797,825</u>	<u>2,807,500</u>	<u>790,589</u>	<u>1,195,271</u>
<b>Due after one year</b>					
Loans and borrowings	17	24,184,818	23,724,123	14,404,039	14,404,039
Amounts owed to group undertakings		-	-	20,469,200	18,952,961
Amounts owed to connected companies		9,999,015	8,948,709	4,251,895	2,680,599
		<u>34,183,833</u>	<u>32,672,832</u>	<u>39,125,134</u>	<u>36,037,599</u>

#### 17 Loans and borrowings

		Group		Company	
		2020 £	2019 £	2020 £	2019 £
<b>Non-current loans and borrowings</b>					
Loan notes		14,404,039	14,404,039	14,404,039	14,404,039
Other borrowings		9,780,779	9,320,084	-	-
		<u>24,184,818</u>	<u>23,724,123</u>	<u>14,404,039</u>	<u>14,404,039</u>

Included in loan notes are A and D loan notes (£4,649,250 and £1,890,075 respectively) that are secured by the group and company. The A1, B, C, E and G loan notes (£750,000, £4,000,000, £2,000,000, £609,800 and £504,914 respectively) are unsecured. The loan notes are due for repayment on 31 May 2025 and bear interest at 10% per annum.

The loan is secured by way of a fixed and floating charge over the company and the group. The rate of interest charged on this loan is 6% above LIBOR plus 3% interest which is capitalised onto the loan balance at the end of each quarter. The loan is to be repaid in full by November 2024. Other borrowings are stated net of unamortised arrangement costs of £533,710 (2019 - £679,917).

#### 18 Pension and other schemes

##### Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £290,723 (2019 - £200,599).

#### 19 Share capital

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



## EDEN CARE & SUPPORT GROUP LIMITED

### Notes to the Financial Statements for the Year Ended 31 March 2020

	2020		2019	
	No.	£	No.	£
Ordinary A shares of £0.01 each	75,000	750	75,000	750
Ordinary B shares of £0.01 each	12,500	125	12,500	125
Ordinary C shares of £0.01 each	11,250	113	11,250	113
Ordinary D shares of £0.01 each	32,916	329	32,916	329
	<u>131,666</u>	<u>1,317</u>	<u>131,666</u>	<u>1,317</u>

#### Rights, preferences and restrictions

Shares A, B and C carry equal voting rights and rank pari passu in all respects, other than dividend rights.

D shares do not carry voting rights.

#### 20 Contingent liabilities

##### Group

The group is bound by an intra-group cross guarantee in respect of loan notes owned by Sovereign Capital Partners LLP and the other debt owed to Tosca Debt Capital (Luxembourg) S.a.r.l with other members of the group. The amount guaranteed is £30,463,256 (2019 - £30,570,373).

#### 21 Related party transactions

During the year, the group paid monitoring and loan arrangement fees of £92,129 (2019 - £89,760) to Sovereign Capital Limited Partnership III, its ultimate controlling entity.

During the year, the company incurred costs in relation to property rental services totalling £622,705 (2019 - £607,505) to Jack Smith Properties Limited and £140,000 (2019 - £140,000) to Sipps, which M Nichol-Smith has a significant interest.

During the year, loan note interest of £1,242,300 (2019 - £1,697,296) was accrued on loan notes owed to the group's controlling party.

During the year, loan note interest of £205,314 (2019- £281,992) was accrued on loan notes owed to M Nichol-Smith.

At 31 March 2020, the group was owed £1,107,417 (2019 owed - £1,381,316) to Eden Care Solutions Limited and subsidiary companies, a group which is controlled by funds managed by Sovereign Capital Partners LLP. Interest was charged on the loan at 8%. A management charge of £588,770 (2019 - £609,881) was charged in the year to Eden Care Solutions Limited and subsidiary companies for services provided by the group.

All transactions above were carried out on an arms length basis.

#### 22 Parent and ultimate parent undertaking

The ultimate controlling party is Sovereign Capital Limited Partnership III, a limited partnership registered in England and Wales.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.