

Registration number: 08792969

**ECS DEBT CO LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

Hazlewoods LLP  
Windsor House  
Bayshill Road  
Cheltenham  
GL50 3AT

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## **ECS DEBTCO LIMITED**

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## **ECS DEBT CO LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	D A Berry S J Collier A P Dean A G Lennox
<b>Registered office</b>	Friary House 17a Friary Road Newark Nottinghamshire NG24 1LE
<b>Bankers</b>	Lloyds TSB Bank Plc Birmingham OSC Ariel House 2138 Coventry Road Sheldon Birmingham B26 3JW
<b>Auditors</b>	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

## **ECS DEBTCO LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2019**

The directors present their strategic report for the year ended 31 March 2019.

#### **Principal activity**

The principal activity of the company is that of an intermediate parent company.

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

The results for the year which are set out in the profit and loss account, show a loss before tax of £770,048 (2018 - £637,349). The directors of the company consider that the financial position of the group to which the company belongs at the year end is satisfactory.

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 ultimate parent company, Eden Care Solutions Limited.

Approved by the Board on 26/7/2019 and signed on its behalf by:



A P Dean  
Director

## **ECS DEBT CO LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019**

The directors present their report and the financial statements for the year ended 31 March 2019.

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

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

D A Berry  
S J Collier  
A P Dean  
A G Lennox

#### **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 26/7/2019 and signed on its behalf by:



A P Dean  
Director

## **ECS DEBTCO LIMITED**

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

The directors are responsible for preparing the Directors' Report, Strategic 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.

## **ECS DEBTCO LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ECS DEBTCO LIMITED**

#### **Opinion**

We have audited the financial statements of ECS Debtco Limited (the 'company') for the year ended 31 March 2019, 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 2019 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.

## **ECS DEBT CO LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ECS DEBT CO 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.

.....  
Martin Howard (Senior Statutory Auditor)  
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House  
Bayshill Road  
Cheltenham  
GL50 3AT

Date: 29 JUL 2019



# **ECS DEBTCO LIMITED**

## **PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2019**

	Note	2019 £	2018 £
<b>Turnover</b>		-	-
Administrative expenses		<u>(8,503)</u>	<u>(14,373)</u>
<b>Operating loss</b>		(8,503)	(14,373)
Other interest receivable and similar income	6	272,026	126,996
Interest payable and similar charges	7	<u>(1,033,571)</u>	<u>(749,972)</u>
<b>Loss before tax</b>		(770,048)	(637,349)
Taxation	8	<u>-</u>	<u>-</u>
<b>Loss for the financial year and total comprehensive income</b>		<u><u>(770,048)</u></u>	<u><u>(637,349)</u></u>

The above results were derived from continuing operations.

The notes on pages 10 to 16 form an integral part of these financial statements.

**ECS DEBTCO LIMITED**

**(REGISTRATION NUMBER: 08792969)  
BALANCE SHEET AS AT 31 MARCH 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Investments	9	<u>6,353,466</u>	<u>6,353,466</u>
<b>Current assets</b>			
Debtors: Amounts falling due within one year	10	20,635	635
Debtors: Amounts falling due after more than one year	10	5,358,219	1,714,451
Cash at bank and in hand		<u>2,331</u>	<u>2,000</u>
		5,381,185	1,717,086
<b>Creditors: Amounts falling due within one year</b>	11	<u>(65,403)</u>	<u>(2,541,642)</u>
<b>Net current assets/(liabilities)</b>		<u>5,315,782</u>	<u>(824,556)</u>
<b>Total assets less current liabilities</b>		<u>11,669,248</u>	<u>5,528,910</u>
Creditors: Amounts falling due after more than one year	11	<u>14,526,584</u>	<u>7,616,198</u>
<b>Capital and reserves</b>			
Called up share capital	13	636	636
Retained earnings		<u>(2,857,972)</u>	<u>(2,087,924)</u>
Total equity		<u>(2,857,336)</u>	<u>(2,087,288)</u>
<b>Total capital, reserves and long term liabilities</b>		<u>11,669,248</u>	<u>5,528,910</u>

Approved and authorised by the Board on 26/7/2019 and signed on its behalf by:



A P Dean  
Director

The notes on pages 10 to 16 form an integral part of these financial statements.

**ECS DEBT CO LIMITED**

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

	<b>Share capital £</b>	<b>Retained earnings £</b>	<b>Total £</b>
At 1 April 2018	636	(2,087,924)	(2,087,288)
Loss for the year	-	(770,048)	(770,048)
At 31 March 2019	<u>636</u>	<u>(2,857,972)</u>	<u>(2,857,336)</u>

	<b>Share capital £</b>	<b>Retained earnings £</b>	<b>Total £</b>
At 1 April 2017	636	(1,450,575)	(1,449,939)
Loss for the year	-	(637,349)	(637,349)
At 31 March 2018	<u>636</u>	<u>(2,087,924)</u>	<u>(2,087,288)</u>

The notes on pages 10 to 16 form an integral part of these financial statements.

## **ECS DEBTCO LIMITED**

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

#### **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.

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

These financial statements are consolidated in the financial statements of Eden Care Solutions Limited.

The financial statements of Eden Care Solutions Limited may be obtained from the company's registered office.

##### **Going concern**

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

The directors have considered the likely future performance of the business and its group and expect that the company will be able to continue in operation as a result of the trading of its group. 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.

##### **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.

##### **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.

## **ECS DEBTCO LIMITED**

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

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.

#### **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.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. 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.

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

## **ECS DEBTCO LIMITED**

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

#### **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 amounts and the company 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.

#### **Non-financial assets**

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.

#### **Financial assets**

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.

# **ECS DEBTCO LIMITED**

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

### **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.

### **3 Auditors' remuneration**

	2019 £	2018 £
Audit of the financial statements	<u>1,200</u>	<u>1,200</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u>1,200</u>	<u>1,200</u>

### **4 Staff costs**

There were no employees during the year other than the directors, who received no remuneration from this company.

### **5 Exceptional items**

	2019 £	2018 £
Exceptional administrative expenses	<u>(4,875)</u>	<u>-</u>
Exceptional administrative income relates to a non-recurring refinancing fee.		

### **6 Other interest receivable and similar income**

	2019 £	2018 £
Interest receivable from group undertakings and connected companies	<u>272,026</u>	<u>126,996</u>

### **7 Interest payable and similar charges**

	2019 £	2018 £
Interest on bank borrowings	285,726	142,611
Amortisation of debt costs	111,678	86,865
Interest payable to group undertakings and connected companies	<u>636,167</u>	<u>520,496</u>
	<u>1,033,571</u>	<u>749,972</u>

## ECS DEBTCO LIMITED

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

#### 8 Taxation

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2018 - higher than the standard rate of corporation tax in the UK) of 19% (2018 - 19%).

The differences are reconciled below:

	2019 £	2018 £
Loss before tax	(770,048)	(637,349)
Corporation tax at standard rate	(146,309)	(121,096)
Tax increase (decrease) arising from group relief	146,309	121,096
Total tax charge/(credit)	-	-

#### 9 Investments in subsidiaries

	2019 £	2018 £
Investments in subsidiaries	6,353,466	6,353,466

<b>Subsidiaries</b>	£
<b>Cost and net book value</b>	
At 1 April 2018 and at 31 March 2018	6,353,466

#### 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	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2019	2018
Subsidiary undertakings				
HASS Holdings Lincs Limited	England and Wales	Ordinary	100%	100%
Housing and Support Solutions Limited	England and Wales	Ordinary	100%	100%
Essential Futures Limited	England and Wales	Ordinary	100%	100%
Supported Homes Limited	England and Wales	Ordinary	100%	100%

The principal activity of HASS Holdings Lincs Limited is that of a dormant company.

The principal activity of Housing and Support Solutions Limited is the provision of supported living services. This company is held indirectly via HASS Holdings Lincs Limited.

The principal activity of Essential Futures Limited is the provision of supported living services.

The principal activity of Supported Homes Limited is the provision of supported living services.



# **ECS DEBTCO LIMITED**

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

### **10 Debtors**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
Amounts owed by connected companies	15	2,674,321	1,702,565
Amounts owed by group undertakings		2,683,898	11,886
Other receivables		<u>20,635</u>	<u>635</u>
		5,378,854	1,715,086
Less non-current portion		<u>(5,358,219)</u>	<u>(1,714,451)</u>
Total current trade and other receivables		<u><u>20,635</u></u>	<u><u>635</u></u>

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

£2,683,898 (2018 - £11,886) of amounts owed from group undertakings is classified as non-current.

£2,674,321 (2018 - £1,702,565) of amounts owed from connected companies is classified as non-current.

### **11 Creditors**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
<b>Due within one year</b>			
Loans and borrowings	12	-	2,528,091
Accrued expenses		<u>65,403</u>	<u>13,551</u>
		<u><u>65,403</u></u>	<u><u>2,541,642</u></u>
<b>Due after one year</b>			
Loans and borrowings	12	5,592,050	-
Amounts owed to group undertakings		4,866,603	3,940,793
Amounts owed to connected companies	15	<u>4,067,931</u>	<u>3,675,405</u>
		<u><u>14,526,584</u></u>	<u><u>7,616,198</u></u>

### **12 Loans and borrowings**

	<b>2019 £</b>	<b>2018 £</b>
<b>Current loans and borrowings</b>		
Bank borrowings	<u>-</u>	<u>2,528,091</u>
<b>Non-current loans and borrowings</b>		
Other borrowings	<u>5,592,050</u>	<u>-</u>

In November 2018 the group entered into a facilities agreement with a new lender. 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.

## **ECS DEBTCO LIMITED**

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

#### **13 Share capital**

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

	<b>2019</b>		<b>2018</b>	
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
Ordinary shares of £1 each	<u>636</u>	<u>636</u>	<u>636</u>	<u>636</u>

#### **14 Contingent liabilities**

The company 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 headed by Eden Care Solutions Limited. The amount guaranteed is £16,166,334.

#### **15 Related party transactions**

At 31 March 2019, the company owed £1,393,610 (2018 - £1,972,840) to companies which are controlled by funds managed by Sovereign Capital Partners LLP.

Interest has been charged on the loans at 8%.

#### **16 Parent and ultimate parent undertaking**

The company's immediate parent is Eden Care Solutions Midco Limited, incorporated in England and Wales.

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