

**EDEN CARE SOLUTIONS MIDCO LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

Hazlewoods LLP  
Windsor House  
Bayshill Road  
Cheltenham  
GL50 3AT

## EDEN CARE SOLUTIONS MIDCO LIMITED

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## **EDEN CARE SOLUTIONS MIDCO LIMITED**

### **Company Information**

|                          |  |
|--------------------------|--|
| <b>Directors</b>         | D A Berry<br>S J Collier<br>A P Dean                                       |
| <b>Registered office</b> | Friary House<br>17a Friary Road<br>Newark<br>Nottinghamshire<br>NG24 1LE   |
| <b>Auditors</b>          | Hazlewoods LLP<br>Windsor House<br>Bayshill Road<br>Cheltenham<br>GL50 3AT |

## **EDEN CARE SOLUTIONS MIDCO LIMITED**

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

The directors present their report and the financial statements 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

A G Lennox (resigned 31 July 2019)

#### **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 31 July 2020 and signed on its behalf by:

.....  
A P Dean  
Director

## **EDEN CARE SOLUTIONS MIDCO 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.

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

Due to the nature of the company, details of principal risks and uncertainties are disclosed in the group financial statements of the ultimate parent company, Eden Care Solutions Limited.

Approved by the Board on 31 July 2020 and signed on its behalf by:

.....  
A P Dean  
Director

## **EDEN CARE SOLUTIONS MIDCO 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.

## **EDEN CARE SOLUTIONS MIDCO LIMITED**

### **Independent Auditor's Report to the Members of Eden Care Solutions Midco Limited**

#### **Opinion**

We have audited the financial statements of Eden Care Solutions Midco Limited (the 'company') for the year ended 31 March 2020, 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 2020 and of its results 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, it is difficult to evaluate all of the potential implications of the current COVID-19 outbreak on the company's trade, employees, customers, suppliers and the wider economy.

#### **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 SOLUTIONS MIDCO LIMITED**

### **Independent Auditor's Report to the Members of Eden Care Solutions Midco 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 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.



## **EDEN CARE SOLUTIONS MIDCO LIMITED**

### **Independent Auditor's Report to the Members of Eden Care Solutions Midco 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

31 July 2020

## EDEN CARE SOLUTIONS MIDCO LIMITED

### Profit and Loss Account for the Year Ended 31 March 2020

|                                      | Year ended 31<br>March 2020<br>£ | 7 November<br>2018 to 31<br>March 2019<br>£ |
|--------------------------------------|----------------------------------|---|
| Turnover                             | -                                | -   |
| Profit/(loss) before tax             | -                                | -   |
| Taxation                             | -                                | -   |
| Profit/(loss) for the financial year | -                                | -   |

The above results were derived from continuing operations.

The company has no other comprehensive income for the year.

The notes on pages 11 to 16 form an integral part of these financial statements.

# EDEN CARE SOLUTIONS MIDCO LIMITED

(Registration number: 11665692)

Balance Sheet as at 31 March 2020

|                             | Note     | 31 March 2020<br>£ | 31 March 2019<br>£ |
|-----------------------------|----------|--------------------|--------------------|
| <b>Fixed assets</b>         |          |                    |                    |
| Investments                 | <u>4</u> | 637                | 637                |
| <b>Current assets</b>       |          |                    |                    |
| Debtors                     | <u>5</u> | <u>1</u>           | <u>1</u>           |
| Net assets                  |          | <u>638</u>         | <u>638</u>         |
| <b>Capital and reserves</b> |          |                    |                    |
| Called up share capital     | <u>6</u> | <u>638</u>         | <u>638</u>         |
| Total equity                |          | <u>638</u>         | <u>638</u>         |

Approved and authorised by the Board on 31 July 2020 and signed on its behalf by:

.....

A P Dean  
Director

The notes on pages 11 to 16 form an integral part of these financial statements.

# EDEN CARE SOLUTIONS MIDCO LIMITED

## Statement of Changes in Equity for the Year Ended 31 March 2020

|   | Share capital<br>£ |
|---|--------------------|
| At 1 April 2019 and at 31 March 2020              | <u>638</u>         |
| New share capital subscribed and at 31 March 2019 | <u>638</u>         |

The notes on pages 11 to 16 form an integral part of these financial statements.

## **EDEN CARE SOLUTIONS MIDCO 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.

##### **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 Companies House.

##### **Group accounts not prepared**

The company has taken advantage of the exemption in section 400(1) of the Companies Act 2006 from the requirement to prepare consolidated financial statements, on the grounds that it is a wholly owned subsidiary and is included in the consolidated financial statements of its parent as set out in section 400(1) of the Companies Act 2006.

##### **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**

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

##### **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.

## **EDEN CARE SOLUTIONS MIDCO LIMITED**

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

#### **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.

## EDEN CARE SOLUTIONS MIDCO 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 Staff costs

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

# EDEN CARE SOLUTIONS MIDCO LIMITED

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

|           | Year ended 31<br>March 2020<br>No. | 7 November<br>2018 to 31<br>March 2019<br>No. |
|-----------|------------------------------------|---|
| Directors | 3                                  | 4   |



# EDEN CARE SOLUTIONS MIDCO LIMITED

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

### 4 Investments in subsidiaries, joint ventures and associates

|                                      | 2020<br>£ | 2019<br>£ |
|--------------------------------------|-----------|-----------|
| Investments in subsidiaries          | 637       | 637       |
| <b>Subsidiaries</b>                  |           | £         |
| <b>Cost and carrying amount</b>      |           |           |
| At 1 April 2019 and at 31 March 2020 |           | 637       |

### 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 |
| <b>Subsidiary undertakings</b>        |                   |          |   |      |
| ECS Debtco Limited                    | England and Wales | Ordinary | 100%  | 100% |
| Eden Care Solutions Trustees Limited  | England and Wales | Ordinary | 100%  | 100% |
| Essential Futures Limited             | England and Wales | Ordinary | 100%  | 100% |
| HASS Holdings Lincs Limited           | England and Wales | Ordinary | 100%  | 100% |
| Housing and Support Solutions Limited | England and Wales | Ordinary | 100%  | 100% |
| Supported Homes Limited               | England and Wales | Ordinary | 100%  | 100% |

The principal activity of ECS Debtco Limited is that of a financing company.

The principal activity of Eden Care Solutions Trustees Limited is that of a corporate trustee for an Employee Benefit Scheme.

The principal activity of Essential Futures Limited is the provision of supported living services. This company is held indirectly via ECS Debtco Limited.

The principal activity of HASS Holdings Lincs Limited is that of a dormant holding company. This company is held indirectly via ECS Debtco limited.

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 Supported Homes Limited is the provision of supported living services. This company is held indirectly via ECS Debtco Limited.

## EDEN CARE SOLUTIONS MIDCO LIMITED

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

#### 5 Debtors

|               | 31 March 2020 | 31 March 2019 |
|---------------|---------------|---------------|
|               | £             | £             |
| Other debtors | 1             | 1             |

#### 6 Share capital

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

|                            | 31 March 2020 |     | 31 March 2019 |     |
|----------------------------|---------------|-----|---------------|-----|
|                            | No.           | £   | No.           | £   |
| Ordinary shares of £1 each | 638           | 638 | 638           | 638 |

#### 7 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 £23,917,785 (2019- £23,393,641).

#### 8 Parent and ultimate parent undertaking

The company's immediate and ultimate parent undertaking is Eden Care Solutions Limited, incorporated in England and Wales. The ultimate controlling party is Sovereign Capital Limited Partnership III, a limited partnership registered in England and Wales which is considered to have no single controlling party.

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.