

**EDEN CARE SOLUTIONS MIDCO LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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

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

EDEN CARE SOLUTIONS MIDCO LIMITED

Directors' Report for the Year Ended 31 March 2021

The directors present their report and the financial statements for the year ended 31 March 2021.

Directors of the company

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

D A Berry

S J Collier

A P Dean

Disclosure of information to the auditors

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

Reappointment of auditors

Hazlewoods LLP have expressed their willingness to continue in office.

Approved by the Board on 12 August 2021 and signed on its behalf by:

A P Dean
Director

EDEN CARE SOLUTIONS MIDCO LIMITED

Strategic Report for the Year Ended 31 March 2021

The directors present their strategic report for the year ended 31 March 2021.

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 12 August 2021 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 2021, 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 2021 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

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks applicable to the financial statements or that had a fundamental effect on the operations of the group. We determined that the most significant laws and regulations included UK GAAP, UK Companies Act 2006, and taxation laws;

We understood how the group is complying with those legal and regulatory frameworks by making inquiries of the management, and those responsible for legal and compliance procedures. We corroborated our inquiries through our review of board minutes. We assessed the susceptibility of the groups financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the Group engagement team included:

- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- Challenging assumptions and judgments made by management in its significant accounting estimates;
- Identifying and testing journal entries, in particular any journal entries posted with unusual characteristics.

EDEN CARE SOLUTIONS MIDCO LIMITED

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

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. 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

12 August 2021

EDEN CARE SOLUTIONS MIDCO LIMITED

Profit and Loss Account for the Year Ended 31 March 2021

	2021 £	2020 £
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 14 form an integral part of these financial statements.

EDEN CARE SOLUTIONS MIDCO LIMITED

(Registration number: 11665692)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	<u>4</u>	637	637
Current assets			
Debtors	<u>5</u>	<u>1</u>	<u>1</u>
Net assets		<u>638</u>	<u>638</u>
Capital and reserves			
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 12 August 2021 and signed on its behalf by:

A P Dean
Director

EDEN CARE SOLUTIONS MIDCO LIMITED

Statement of Changes in Equity for the Year Ended 31 March 2021

	Share capital £
At 1 April 2020 and at 31 March 2021	<u>638</u>
	Share capital £
At 1 April 2019 and at 31 March 2020	<u>638</u>

EDEN CARE SOLUTIONS MIDCO LIMITED

Notes to the Financial Statements for the Year Ended 31 March 2021

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.

Summary of disclosure exemptions

The company has not presented a cash flow statement on the grounds that the company is a wholly owned subsidiary and a group cash flow statement is included in the financial statements of the parent company.

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 2021

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.

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:

	2021 No.	2020 No.
Directors	3	3

EDEN CARE SOLUTIONS MIDCO LIMITED

Notes to the Financial Statements for the Year Ended 31 March 2021

4 Investments in subsidiaries, joint ventures and associates

	2021 £	2020 £
Investments in subsidiaries	637	637
Subsidiaries		£
Cost and carrying amount		
At 1 April 2020 and at 31 March 2021		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	
			2021	2020
Subsidiary undertakings				
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%

Subsidiary undertakings

ECS Debtco Limited

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

Eden Care Solutions Trustees Limited

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

Essential Futures Limited

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

HASS Holdings Lincs 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..

Housing and Support Solutions 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..

Supported Homes 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 2021

5 Debtors

	2021	2020
	£	£
Other debtors	1	1

6 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	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 £30,960,315 (2020 - £30,463,256).

8 Parent and ultimate parent undertaking

The company's immediate parent 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.