

**REGISTERED NUMBER: 08344738**

**Strategic Report, Directors' Report and  
Financial Statements for the Year Ended 31 March 2017  
for  
Voyage Care BondCo PLC**

**Voyage Care BondCo PLC**

**Contents of the Financial Statements  
for the Year Ended 31 March 2017**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Strategic Report</b>	<b>2</b>
<b>Directors' Report</b>	<b>4</b>
<b>Statement of Directors' Responsibilities</b>	<b>5</b>
<b>Independent Auditor's Report</b>	<b>6</b>
<b>Statement of Profit and Loss</b>	<b>7</b>
<b>Statement of Other Comprehensive Income</b>	<b>8</b>
<b>Statement of Financial Position</b>	<b>9</b>
<b>Statement of Changes in Equity</b>	<b>10</b>
<b>Notes to the Financial Statements</b>	<b>11</b>

**Voyage Care BondCo PLC**

**Company Information  
for the Year Ended 31 March 2017**

**DIRECTORS:**

A Winning  
P Sealey  
A Cannon

**SECRETARY:**

P Sealey

**REGISTERED OFFICE:**

Voyage Care  
Wall Island  
Birmingham Road  
Lichfield  
Staffordshire  
WS14 0QP

**REGISTERED NUMBER:**

08344738 (England and Wales)

**SENIOR STATUTORY  
AUDITOR:**

Colin Brearley

**AUDITOR:**

KPMG LLP, Statutory Auditor  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH

## **Voyage Care BondCo PLC**

### **Strategic Report for the Year Ended 31 March 2017**

The Directors present their strategic report for the year ended 31 March 2017.

#### **PRINCIPAL ACTIVITY**

The Company acts as a financing company within the Voyage Care Group. Voyage Care provides a wide range of services for individuals with learning disabilities, acquired brain injuries and other complex needs. The care solutions we provide range from home care and supported living, where support is provided in a person's own home, through to residential care in our specially adapted homes. As ever, our focus continues to be on the needs of those we support.

#### **BUSINESS REVIEW**

The financial performance and position of the Company are in line with the Directors' expectations. The Statement of Financial Position at 31 March 2017 shows that Voyage BondCo PLC has net assets of £1,515,000 (2016: £3,604,000). This analysis is detailed on the Statement of Financial Position (see page 9). Correspondingly, for the year ended 31 March 2017 Voyage BondCo PLC reported a loss before taxation of £2,089,000 (2016: £3,311,000). This analysis is detailed on the Statement of Profit and Loss (see page 7).

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The Company is reliant on the on-going trading of the Voyage Care Group to enable it to meet its liabilities and obligations and therefore the principal risks and uncertainties facing the business are similar to those of the Group as a whole, being:

- Funding continues to be challenging as Government austerity continues. Many Local Authorities have, however, taken advantage of the 3% council tax precept, entirely dedicated to social care funding which will allow local governments the ability to raise an additional c.£4.5 billion by 2020. The Spring Budget 2017 made available an additional £2 billion for use by Local Authorities for social care, of which £1 billion will be provided in 2017/18 and in addition the Better Care Fund is now available (together delivering £2 billion to the social care sector in 2017/18;
- Recruitment and retention of skilled care workers - the Group has a bespoke system to deal with recruitment from first point of contact to employment, including Disclosure and Barring Service checks. Staff turnover is closely monitored and exit interviews performed to identify underlying trends;
- Ensuring the provision of high quality care to the people we support - this is achieved by maintaining an appropriate balance between care fees and payroll costs. Fees are always agreed with funders to reflect the care needs of the people we support to ensure that the appropriate level of care is provided. Payroll costs are controlled by regular review of weekly care hours, through an in-house management system and close control of agency usage;
- Maintaining high occupancy levels and average weekly hours - admissions and leavers and progress of referrals for vacancies are formally reported to senior management on a weekly basis;
- National Living Wage, workplace pension auto enrolment charges and apprenticeship levy - the National Living Wage (and likely consequent increases in the National Minimum Wage), workplace pension auto enrolment charges and apprenticeship levy will increase the cost base of the Group. In order to minimise the expense, the Group is approaching Local Authorities and the NHS to secure additional funding to offset these costs;
- Legal and regulatory proceedings - The application of the National Minimum Wage (NMW) regulations in relation to sleep-in shifts performed by care workers has recently received both legal and media coverage. Regulation 30 and 32 of the 2015 NMW regulations have been considered by three Employment Appeal Tribunals which concluded that a worker carrying out a sleep-in duty is working for every hour of the shift even when asleep. However, current HMRC published guidance on NMW and sleep-ins is clear that it does not consider sleep-ins to be working time for the purposes of NMW. We are aware that the NMW regulations have been interpreted differently in respect of some aspects of their application, particularly in relation to sleep-in shifts. In the event that we receive a negative decision in relation to sleep-ins, we will consider challenging that decision through the Employment Tribunal and through judicial review proceedings.

Certain industry associations are actively pursuing the government to clarify on an urgent basis the law on sleep-ins in a way which ensures that sleep-ins continue to be affordable and that financial viability of providers is not affected. We are not in a position to quantify an associated impact on the business but we continue to diligently monitor the outcomes of the above proceedings to scrutinise any impact for the Group;

**Voyage Care BondCo PLC**

**Strategic Report - continued  
for the Year Ended 31 March 2017**

**PRINCIPAL RISKS AND UNCERTAINTIES - CONTINUED**

- Brexit - Britain's decision to leave the European Union may lead to a more challenging environment in the short and long term due to uncertainties in the current markets and future impacts on our workforce. We continue to diligently monitor the terms of Brexit negotiations to scrutinise any impact for the Group in this time of uncertainty; and
- In addition to the above group risks, the Company is exposed to interest rate risk on amounts due to and from other group companies, on which interest is paid/received based on a market rate of interest.

**FUTURE PROSPECTS**

No significant changes or developments in the Company's business are anticipated in the foreseeable future.

**ON BEHALF OF THE BOARD:**



P Sealey - Director

Date: 30 June 2017

Wall Island  
Birmingham Road  
Lichfield  
Staffordshire  
WS14 0QP

## **Voyage Care BondCo PLC**

### **Directors' Report for the Year Ended 31 March 2017**

The Directors present their report with the financial statements of the Company for the year ended 31 March 2017.

In accordance with section 414(11) of the Companies Act, information that is required to be contained in the Directors' Report has been included in the Strategic report, specifically the future prospects of the business.

#### **GOING CONCERN**

The Group, of which the Company is a member, is funded through a combination of Shareholders' Funds, Unsecured Shareholders Loans, Senior Secured Notes and Second Lien Notes. At 31 March 2017, the Group had £222 million of 6.5% Senior Secured Notes due 2018, £50 million of 11% Second Lien Notes due 2019 and committed to a Revolving Credit Facility of £37.5 million which was undrawn.

After 31 March 2017 but before the signing of these financial statements, the Group completed a refinancing transaction and the gross proceeds were used to redeem in full existing Senior Secured Notes and Second Lien Notes. The Group now has £215 million of 5 7/8% Senior Secured Notes due 2023, £35 million of 10% Second Lien Notes due 2023 and committed to a £45 million Revolving Credit Facility.

The Group's trading cash forecasts, which take into account reasonably possible changes in trading activities, show that the group will be in compliance with all covenants and will have adequate funds to meet its liabilities, including debt servicing costs, for the foreseeable future.

The Directors therefore believe it remains appropriate to prepare the financial statements on a going concern basis.

#### **DIVIDENDS**

The results for the year are set out in detail on page 7.

The Directors do not recommend the payment of a dividend (2016: £Nil).

#### **DIRECTORS**

The Directors shown below have held office during the whole of the period from 1 April 2016 to the date of this report.

A Winning  
P Sealey  
A Cannon

The Directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR**

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

#### **AUDITOR**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and KPMG LLP will, therefore, continue in office.

#### **ON BEHALF OF THE BOARD:**

  
.....  
P Sealey - Director

Date: 30 June 2017

Wall Island  
Birmingham Road  
Lichfield  
Staffordshire  
WS14 0QP

## **Voyage Care BondCo PLC**

### **Statement of Directors' Responsibilities for the Year Ended 31 March 2017**

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

Company law requires the Directors to prepare company financial statements for each financial year. Under that law they have elected to prepare the company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 then 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 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Independent Auditor's Report to the Members of Voyage Care BondCo PLC**

We have audited the financial statements of Voyage Care BondCo PLC for the year ended 31 March 2017 on pages seven to seventeen. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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.

### **Respective responsibilities of Directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic Report and the Directors' Report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

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

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.



Colin Brearley (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH

Date: 30 June 2017



**Voyage Care BondCo PLC****Statement of Profit and Loss  
for the Year Ended 31 March 2017**

	<b>Notes</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
<b>TURNOVER</b>		-	-
Operating expenses	4	<u>(10)</u>	<u>(14)</u>
<b>OPERATING LOSS</b>		(10)	(14)
Interest receivable and similar income	5	28,501	24,704
Interest payable and similar expenses	6	<u>(30,580)</u>	<u>(28,001)</u>
<b>LOSS BEFORE TAXATION</b>		(2,089)	(3,311)
Tax on loss	8	<u>-</u>	<u>147</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u><u>(2,089)</u></u>	<u><u>(3,164)</u></u>

**Voyage Care BondCo PLC**

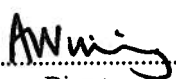
**Statement of Other Comprehensive Income  
for the Year Ended 31 March 2017**

	<b>2017 £'000</b>	<b>2016 £'000</b>
<b>LOSS FOR THE YEAR</b>	<b>(2,089)</b>	<b>(3,164)</b>
<b>OTHER COMPREHENSIVE INCOME</b>	<b>—</b>	<b>—</b>
<b>TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR</b>	<b><u>(2,089)</u></b>	<b><u>(3,164)</u></b>

**Statement of Financial Position**  
**31 March 2017**

	Notes	2017 £'000	2016 £'000
<b>CURRENT ASSETS</b>			
Debtors: amounts falling within one year	9	2,276	-
Debtors: amounts falling due after more than one year	9	<u>380,413</u>	<u>351,913</u>
		<b>382,689</b>	<b>351,913</b>
<b>CREDITORS</b>			
Amounts falling due within one year	10	<u>(4,950)</u>	<u>(3,489)</u>
<b>NET CURRENT ASSETS</b>		<b>377,739</b>	<b>348,424</b>
<i>Due within one year</i>		<i>(2,674)</i>	<i>(3,489)</i>
<i>Due after more than one year</i>		<i>380,413</i>	<i>351,913</i>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>377,739</b>	<b>348,424</b>
<b>CREDITORS</b>			
Amounts falling due after more than one year	11	<u>(376,224)</u>	<u>(344,820)</u>
<b>NET ASSETS</b>		<u><b>1,515</b></u>	<u><b>3,604</b></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	<b>50</b>	<b>50</b>
Retained earnings		<u><b>1,465</b></u>	<u><b>3,554</b></u>
<b>EQUITY SHAREHOLDERS' FUNDS</b>		<u><b>1,515</b></u>	<u><b>3,604</b></u>

The financial statements were approved by the Board of Directors on 30 June 2017 and were signed on its behalf by:

  
.....  
A Winning - Director

**Voyage Care BondCo PLC****Statement of Changes in Equity  
for the Year Ended 31 March 2017**

	<b>Called up share capital £'000</b>	<b>Retained earnings £'000</b>	<b>Total equity £'000</b>
<b>Balance at 1 April 2015</b>	50	6,718	6,768
<b>Changes in equity</b>			
Total comprehensive income	<u>-</u>	<u>(3,164)</u>	<u>(3,164)</u>
<b>Balance at 31 March 2016</b>	<u>50</u>	<u>3,554</u>	<u>3,604</u>
<b>Changes in equity</b>			
Total comprehensive income	<u>-</u>	<u>(2,089)</u>	<u>(2,089)</u>
<b>Balance at 31 March 2017</b>	<u><u>50</u></u>	<u><u>1,465</u></u>	<u><u>1,515</u></u>

## **Voyage Care BondCo PLC**

### **Notes to the Financial Statements for the Year Ended 31 March 2017**

#### **1. STATUTORY INFORMATION**

Voyage Care BondCo PLC is a company incorporated and domiciled in the UK.

#### **2. ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

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

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRS"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Voyage Care HoldCo Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Voyage Care HoldCo Limited are prepared in accordance with International Financial Reporting Standards adopted by the EU and are available to the public.

As the consolidated financial statements of Voyage Care HoldCo Limited include the equivalent disclosures, the Company has also taken the exemption under FRS 101 available in respect of the following disclosures:

- a cash flow statement;
- disclosures in respect of transactions with wholly owned subsidiaries and related party transactions;
- the effects of new but not yet effective IFRS's; and
- certain disclosures by IFRS 13 "Fair Value Measurement" and the disclosures required by IFRS 7 "Financial Instrument Disclosures".

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

##### **Judgements, estimates and assumptions**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis and any revisions to these estimates are recognised in the period in which the estimates are revised and in any future period affected.

In the opinion of the Directors, there are no key judgements or estimates which have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2017**

**2. ACCOUNTING POLICIES - continued**

**Non-derivative financial instruments**

Non-derivative financial instruments comprise debtors, creditors and interest bearing borrowings.

*Debtors*

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective rate of interest method.

*Creditors*

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective rate of interest method.

*Interest bearing borrowings*

Interest bearing borrowings are initially recognised at fair value less attributable transaction costs. Subsequent to initial recognition, interest bearing borrowings are stated at amortised cost using the effective rate of interest method.

*Interest receivable and payable*

Interest receivable and interest payable is recognised in the statement of profit and loss as it accrues, using the effective interest method.

Interest payable comprises interest payable on loan notes and revolving credit facility. In addition, transaction costs that are directly attributable to the arrangement of borrowings are capitalised and recognised in the statement of profit and loss using the effective interest method.

**Taxation including deferred taxation**

The charge for taxation is based on the profit or loss for the year and comprises current and deferred taxation. Income tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in other comprehensive income.

Tax currently payable is based on the taxable profit or loss for the year. Taxable profit or loss differs from 'profit / loss before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Tax is calculated using tax rates enacted or substantively enacted at the date of the statement of financial position.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

**Going concern**

The Group, of which the Company is a member, is funded through a combination of Shareholders' Funds, Unsecured Shareholders Loans, Senior Secured Notes and Second Lien Notes. At 31 March 2017, the Group had £222 million of 6.5% Senior Secured Notes due 2018, £50 million of 11% Second Lien Notes due 2019 and committed to a Revolving Credit Facility of £37.5 million which was undrawn.

After 31 March 2017 but before the signing of these financial statements, the Group completed a refinancing transaction and the gross proceeds were used to redeem in full existing Senior Secured Notes and Second Lien Notes. The Group now has £215 million of 5 7/8% Senior Secured Notes due 2023, £35 million of 10% Second Lien Notes due 2023 and committed to a £45 million Revolving Credit Facility.

The group's trading cash forecasts, which take into account reasonably possible changes in trading activities, show that the group will be in compliance with all covenants and will have adequate funds to meet its liabilities, including debt servicing costs, for the foreseeable future.

The Directors therefore believe it remains appropriate to prepare the financial statements on a going concern basis.

## Voyage Care BondCo PLC

### Notes to the Financial Statements - continued for the Year Ended 31 March 2017

#### 3. DIRECTORS' REMUNERATION

Remuneration paid to the Directors in respect of their services to the Company and other member companies of the Group:

	2017 £'000	2016 £'000
Directors' remuneration	679	615
Pension contributions	<u>87</u>	<u>67</u>
	<u>766</u>	<u>682</u>

Remuneration of the highest paid Director are as follows:

	£'000	£'000
Directors' remuneration	340	348
Pension contributions	<u>55</u>	<u>28</u>
	<u>395</u>	<u>376</u>

Three of the Directors' active in the year accrued benefits under money purchase pension schemes (2016: Three Directors).

The Directors received no remuneration for their services to the Company in the current period.

The above disclosure relates to the Directors' remuneration for their services to the Group as a whole.

Directors' remuneration was paid by another group company.

#### 4. OPERATING EXPENSES

	2017 £'000	2016 £'000
Other external charges	<u>10</u>	<u>14</u>

#### 5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2017 £'000	2016 £'000
Interest receivable from immediate parent undertakings (see note 9)	<u>28,501</u>	<u>24,704</u>

# **Voyage Care BondCo PLC**

## **Notes to the Financial Statements - continued for the Year Ended 31 March 2017**

### **6. INTEREST PAYABLE AND SIMILAR EXPENSES**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Interest payable to another group company (see note 11)	<b>7,229</b>	4,737
Bank interest including RCF non-utilisation fees	<b>660</b>	737
Interest payable on loan notes	<b>19,930</b>	19,930
Debt cost amortisation	<b>2,661</b>	2,597
Debt costs	<b>100</b>	-
	<b><u>30,580</u></b>	<b><u>28,001</u></b>

### **7. AUDITOR'S REMUNERATION**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Audit of financial statements	<b><u>9</u></b>	<b><u>8</u></b>

The Company is not required to disclose separate information about fees for non-audit services provided to the Company because the consolidated financial statements of the Company's parent, Voyage Care HoldCo Limited, disclose such fees on a consolidated basis.

### **8. TAXATION**

#### **Analysis of tax income**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Current tax	<b><u>-</u></b>	<b><u>-</u></b>
Deferred tax:		
Temporary differences	<b><u>-</u></b>	<b><u>(147)</u></b>
Total tax income in Statement of Profit and Loss	<b><u>-</u></b>	<b><u>(147)</u></b>



## Voyage Care BondCo PLC

### Notes to the Financial Statements - continued for the Year Ended 31 March 2017

#### 8. TAXATION - continued

##### Factors affecting the tax expense

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2017 £'000	2016 £'000
Loss before income tax	<u>(2,089)</u>	<u>(3,311)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 20% (2016 - 20%)	(418)	(662)
Effects of:		
Adjustments to prior years	-	147
Group relief surrendered	418	515
Temporary differences not recognised	<u>-</u>	<u>(147)</u>
Tax income	<u>-</u>	<u>(147)</u>

##### Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the Company's future current tax charge accordingly.

#### 9. DEBTORS:

	2017 £'000	2016 £'000
Amounts falling due within one year:		
Prepayments	<u>2,276</u>	<u>-</u>
Amounts falling due after more than one year:		
Other debtors	50	50
Amounts due from immediate parent undertaking	<u>380,363</u>	<u>351,863</u>
	<u>380,413</u>	<u>351,913</u>
Aggregate amounts	<u>382,689</u>	<u>351,913</u>

The amounts due from group undertakings bear interest at a rate based on the Group's weighted average cost of capital and have no fixed repayment date.

# Voyage Care BondCo PLC

## Notes to the Financial Statements - continued for the Year Ended 31 March 2017

### 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £'000	2016 £'000
Accruals and deferred income	<u>4,950</u>	<u>3,489</u>
	<u>4,950</u>	<u>3,489</u>

### 11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017 £'000	2016 £'000
Amounts due to another group company	108,428	79,685
Senior Secured Notes and Second Lien Notes	<u>267,796</u>	<u>265,135</u>
	<u>376,224</u>	<u>344,820</u>

Loan notes include unamortised issue costs and original issue discount of £4,204,000 (2016: £6,865,000).

The amounts repayable to group undertakings have no fixed repayment date, but are due after more than one year and bear interest at a rate based on the group's weighted average cost of capital.

#### Loan notes

On 25 January 2013, the Company issued £272 million of loan notes comprising £222 million Senior Secured Notes due 2018 and £50 million Second Lien Notes due 2019. In addition, the Group is party to a £37.5 million Revolving Credit Facility. Issue costs before amortisation were £14,076,000. The notes are listed on the Euro MTF market of the Luxembourg Stock Exchange.

The interest rate and repayment terms of these loan notes are as follows:

Debt instrument	Principal £'000	Interest rate/margin	Repayment date
Senior Secured Loan Notes	222,000	6.50%	Aug-18
Second Lien Notes	50,000	11.00%	Feb-19

After 31 March 2017 but before the signing of these financial statements, the Group completed a refinancing transaction and the gross proceeds were used to redeem in full existing Senior Secured Notes and Second Lien Notes. The Group now has £215 million of 5 7/8% Senior Secured Notes due 2023, £35 million of 10% Second Lien Notes due 2023 and committed to a £45 million Revolving Credit Facility. The notes are listed on the Channel Islands Stock Exchange.

### 12. CALLED UP SHARE CAPITAL

#### Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2017 £'000	2016 £'000
50,000	Ordinary	£1	<u>50</u>	<u>50</u>

## **Voyage Care BondCo PLC**

### **Notes to the Financial Statements - continued for the Year Ended 31 March 2017**

#### **13. ULTIMATE PARENT UNDERTAKING**

The Company's immediate parent undertaking is Voyage BidCo Limited which is registered in England and Wales.

The Company's ultimate parent undertaking is Voyage Care HoldCo Limited, which is registered in England and Wales.

Copies of the Group financial statements of Voyage Care HoldCo Limited can be obtained from:

The Company Secretary  
Voyage Care HoldCo Limited  
Wall Island  
Birmingham Road  
Lichfield  
Staffordshire  
WS14 0QP

#### **14. SUBSEQUENT EVENTS**

After 31 March 2017 but before the signing of these financial statements, the Group completed a refinancing transaction and the gross proceeds were used to redeem in full existing Senior Secured Notes and Second Lien Notes. The Group issued £250 million of loan notes comprising £215 million Senior Secured Notes due 2023 and £35 million Second Lien Notes due 2023 and committed to a £45 million Revolving Credit Facility. The notes are listed on Channel Islands Securities Exchange.

The interest rate and repayment terms of these loan notes are as follows:

<b>Debt instrument</b>		<b>Principal £'000</b>	<b>Interest rate/margin</b>	<b>Repayment date</b>	
Senior Secured Loan Notes		215,000	5.875%	May-23	
Second Lien Notes		35,000	10.00%	Nov-23	