

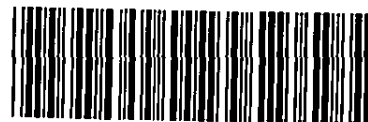
Evolution Homecare Services Limited

Report and Financial Statements

31 December 2009

Company Registration No 874977

THURSDAY



AR94PKCZ

A23

27/05/2010

413

COMPANIES HOUSE

Evolution Homecare Services Limited
Contents

Directors and Officers	Page 2
Directors Report	Page 3
Directors' responsibilities in the preparation of Financial Statements	Page 5
Auditors Report	Page 6
Profit and Loss Account	Page 8
Balance Sheet	Page 9
Accounting Policies	Page 10
Notes to the Accounts	Page 12

Evolution Homecare Services Limited
Directors and Officers

DIRECTORS

J Shaw
P Lewis

SECRETARY

P Smerdon

REGISTERED OFFICE

Sapphire Court
Walsgrave Triangle
Coventry
CV2 2TX
England
Great Britain

AUDITORS

Ernst and Young LLP
Compass House
Newmarket Road
Cambridge
CB5 8DZ

PRINCIPAL BANKERS

Royal Bank of Scotland
2 St Philips Place
Birmingham
B3 2RB

Evolution Homecare Services Limited Directors' Report

The directors submit their report and the financial statements of the company for the year ended 31 December 2009. The directors' report has been prepared in accordance with the small companies regime.

PRINCIPAL ACTIVITIES

The principal activity of the company is the supply of healthcare products and services

REVIEW OF THE BUSINESS

2009 represents the first full year of Evolution Homecare trading (first traded on 1 October 2008). As a start-up business the company has incurred losses but the company is fully supported by its parent company Admenta Holdings Limited

In 2009 the business has been successful in securing tenders for new contracts which has increased patient numbers in line with the company's long term plan. The business continues to develop its capabilities to enable it to maximise developments in the Homecare market as and when they arise

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the company is subject to a number of key risks. Risks are formally reviewed by the board and appropriate processes are put in place to monitor and mitigate them, within a risk framework developed by the company's intermediate parent, Celesio AG

RESULTS AND DIVIDENDS

The results for the company show a gross profit of £831,491 for the period and a loss for the year, after tax, of £1,556,949. No dividend is proposed for 2009

DIRECTORS

The directors who served the company in the year were as follows:

R Smith	(resigned 1 January 2009)
P O'Hanlon	(resigned 31 May 2009)
R Robinson	(appointed 29 May 2008, resigned 21 September 2009)
J Shaw	(appointed 1 January 2009)
P Lewis	(appointed 21 September 2009)

Evolution Homecare Services Limited
Directors' Report (continued)

DIRECTORS' INTERESTS IN SHARES

The directors have no interests in the share capital of the company

POLITICAL AND CHARITABLE DONATIONS

A £500 charitable donation to the MS Society was given during the year ended 31 December 2009

DIRECTORS' QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

No such arrangements were in place at 31 December 2009

PREPARATION OF ACCOUNTS

These accounts are prepared in accordance with the provisions applicable to companies subject to the small companies regime

PROVISION OF INFORMATION TO AUDITORS

So far as each of the directors is aware at the time the report is approved

- There is no relevant audit information of which the company's auditors are unaware, and
- The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information to establish that the auditors are aware of that information

AUDITORS

A resolution to re-appoint Ernst and Young LLP as auditors will be put to the members at the annual general meeting

By order of the Board



J Shaw
Director
13 April 2010

Evolution Homecare Services Limited
Directors' responsibilities in the preparation of Financial Statements

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and estimates that are reasonable and prudent,
- c state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- d 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 proper accounting records which 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EVOLUTION HOMECARE SERVICES LIMITED

We have audited the financial statements of Evolution Homecare Services Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, 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 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on 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 December 2009 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
EVOLUTION HOMECARE SERVICES LIMITED (continued)**

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
- the directors were not entitled to prepare the directors' report in accordance with the small companies regime



*Ian C Strachan (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Cambridge*

Date *30 April 2010*

Evolution Homecare Services Limited
Profit and loss account for the year ended 31 December 2009

	Notes	2009 £	2008 £
TURNOVER	1	16,497,467	3,372,048
Cost of sales		(15,665,976)	(3,118,465)
Gross profit		<u>831,491</u>	<u>183,583</u>
Operating expenses (net)		(2,847,368)	(1,553,827)
OPERATING LOSS		<u>(2,015,877)</u>	<u>(1,370,244)</u>
Interest payable	2	(139,000)	(4,000)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	<u>(2,154,877)</u>	<u>(1,372,244)</u>
Taxation	5	597,928	375,619
RETAINED LOSS FOR THE YEAR		<u>(1,556,949)</u>	<u>(998,625)</u>

The operating loss for the year arises from the company's continuing operations

There were no recognised gains or losses other than the loss of £1,556,949 attributable to the shareholders, for the year ended 31 December 2009 (2008 – loss £998,625)

Evolution Homecare Services Limited
Balance Sheet as at 31 December 2009

	Notes	2009 £	2008 £
FIXED ASSETS			
Tangible assets	6	<u>544,467</u>	<u>453,229</u>
		<u>544,467</u>	<u>453,229</u>
CURRENT ASSETS			
Stocks	7	737,399	605,675
Debtors	8	<u>4,316,156</u>	<u>3,724,435</u>
		<u>5,053,555</u>	<u>4,330,110</u>
CREDITORS amounts falling due within one year	9	2,753,496	5,081,864
NET CURRENT ASSETS / (LIABILITIES)		<u>2,300,059</u>	<u>(751,754)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,844,526	(298,525)
CREDITORS amounts falling due after more than one year	10	(5,400,000)	(700,000)
NET LIABILITIES		<u>(2,555,474)</u>	<u>(998,525)</u>
CAPITAL AND RESERVES			
Called up share capital	12	100	100
Profit and loss account	13	(2,555,574)	(998,625)
SHAREHOLDERS' FUNDS		<u>(2,555,474)</u>	<u>(998,525)</u>

Company Registration No 874977

Approved by the board of directors on 13 April 2010

These accounts are prepared in accordance with the provisions applicable to companies subject to the small companies regime



J Shaw
Director



P Lewis
Director

Evolution Homecare Services Limited

Accounting Policies

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards in the United Kingdom, and in accordance with the Companies Act 1985

The financial statements have been prepared under the going concern basis. As described in the Directors' Report on page 3 the company is in the early stages of its development, is loss making and has net liabilities and therefore relies on parent company funding for liquidity. The parent company has agreed to provide sufficient funds to allow the company to meet its liabilities as they fall due for a period of at least twelve months from the date the accounts are approved. The directors are satisfied that the parent company is able to provide this support and therefore believe that the going concern basis is appropriate.

TANGIBLE FIXED ASSETS

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Leasehold Property	straight line over the life of the lease
IT Software	25% straight line
IT Hardware	25% straight line
Fixtures and Fittings	10% straight line

STOCKS

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less any further costs expected to be incurred on disposal.

DEFERRED TAXATION

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Evolution Homecare Services Limited
Accounting Policies (continued)

FOREIGN CURRENCIES

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

LEASED ASSETS AND OBLIGATIONS

Where assets are financed by leasing arrangements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interests elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are 'operating leases' and the annual rentals are charged to the profit and loss on a straight line basis over the term of the lease.

PENSION COSTS

The company operates a money purchase (defined contribution) pension scheme. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

TURNOVER

Turnover represents the invoiced value, net of value added tax, of goods and services provided to customers during the year. Turnover is generated from the UK.

REVENUE RECOGNITION

Revenue is recognised upon confirmation of a completed delivery.

Evolution Homecare Services Limited
Notes to the financial statements for the year ended 31 December 2009

1 TURNOVER AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

The company's turnover and loss before taxation were all derived from its principal activity wholly undertaken in the United Kingdom

2 INTEREST PAYABLE

	2009	2008
	£	£
Group interest	<u>139,000</u>	<u>4,000</u>
	<u>139,000</u>	<u>4,000</u>

3 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2009	2008
	£	£
Loss on ordinary activities before taxation is stated after charging		
Depreciation of tangible fixed assets	103,408	4,091
Impairment of tangible fixed assets	-	259,752
Operating lease rentals		
Land and Buildings	37,500	9,375
Auditors' remuneration – audit	<u>22,757</u>	<u>12,000</u>

Evolution Homccare Services Limited
Notes to the financial statements for the year ended 31 December 2009 (continued)
4 EMPLOYEES

	2009 No	2008 No
The average weekly number of persons (including directors) employed by the company during the year was		
Sales and administration	<u>30</u>	<u>22</u>

	2009 £	2008 £
Staff costs for the above persons		
Wages and salaries	1,136,235	378,236
Social security costs	128,360	32,872
Other pension costs	31,781	4,435
	<u>1,296,376</u>	<u>415,543</u>

	2009 £	2008 £
DIRECTORS' REMUNERATION		
Emoluments	208,384	183,797
Amounts paid to money purchase pension schemes	8,400	7,988
	<u>216,784</u>	<u>191,785</u>

	No	No
The number of directors to whom relevant benefits are accruing under money purchase (defined contribution) pension scheme was	<u>2</u>	<u>2</u>

	£	£
Details of highest paid director's emoluments		
Emoluments	135,089	108,428
Company contributions to defined contribution pension scheme	6,000	6,655
	<u>141,089</u>	<u>115,083</u>

Evolution Homecare Services Limited
Notes to the financial statements for the year ended 31 December 2009 (continued)

5 TAXATION

	2009 £	2008 £
UK corporation tax at 28% (2008 28.5%)		
Current Year	(612,172)	(310,922)
Adjustment in respect of previous year	2,594	
	<u>(609,578)</u>	<u>(310,922)</u>
Deferred taxation		
Origination and reversal of timing differences (note 11)	11,650	(64,697)
Tax credit on loss on ordinary activities	<u>(597,928)</u>	<u>(375,619)</u>

Factors affecting tax credit for the year

The tax assessed on the loss on ordinary activities is lower (2008 higher) than the standard rate of corporate tax in the UK of 28% (2008 28.5%)

Loss on ordinary activities before taxation	<u>(2,154,877)</u>	<u>(1,374,244)</u>
Loss before tax multiplied by the standard rate of tax	(603,366)	(391,659)
Effects of		
Capital allowances less depreciation	(14,125)	65,954
Expenses not deductible for tax purposes		
- Permanent Differences	5,224	14,783
- Timing Differences	95	
Adjustment in respect of previous years	2,594	
Current tax credit for year/period	<u>(609,578)</u>	<u>(310,922)</u>

Evolution Homecare Services Limited
Notes to the financial statements for the year ended 31 December 2009 (continued)
6 TANGIBLE FIXED ASSETS

	Assets Under Construction £	Fixtures and Fittings £	IT Software £	Total £
Cost				
At 1 January 2009	384,770	73,883	258,419	717,072
Transfers	(384,770)	285,651	99,119	-
Additions		102,207	92,590	194,797
Disposals		(67,945)	(191,958)	(259,903)
At 31 December 2009	-	393,796	258,170	651,966
Depreciation				
At 1 January 2009	-	68,053	195,790	263,843
Charge for the year	-	57,907	45,501	103,408
Disposals	-	(67,794)	(191,958)	(259,752)
At 31 December 2009	-	58,166	49,333	107,499
Net Book Value				
At 31 December 2009	-	335,630	208,837	544,467
At 1 January 2009	384,770	5,830	62,629	453,229

7 STOCKS

	2009 £	2008 £
Finished goods	737,399	605,675
	<u>737,399</u>	<u>605,675</u>

Evolution Homecare Services Limited**Notes to the financial statements for the year ended 31 December 2009 (continued)****8 DEBTORS**

	2009	2008
	£	£
Due within one year		
Trade debtors	3,133,527	2,135,133
Amounts owed by group undertakings	226,517	872,160
Group relief receivable	630,770	310,922
Other debtors	200	229,333
VAT receivable	257,591	104,164
Deferred tax (note 11)	53,047	64,697
Prepayments and accrued income	14,504	8,026
	<u>4,316,156</u>	<u>3,724,435</u>

9 CREDITORS Amounts falling due within one year

	2009	2008
	£	£
Bank overdraft	100,276	36,052
Trade creditors	2,001,173	2,160,205
Amounts owed to group undertakings	254,197	2,298,278
Other taxes and social security payable	46,077	31,872
Other creditors	-	1,677
Accruals and deferred income	351,773	553,780
	<u>2,753,496</u>	<u>5,081,864</u>

10 CREDITORS Amounts falling due after one year

	2009	2008
	£	£
Amounts owed to group undertakings	5,400,000	700,000
	<u>5,400,000</u>	<u>700,000</u>

Evolution Homecare Services Limited
Notes to the financial statements for the year ended 31 December 2009 (continued)
11 DEFERRED TAX

	2009	2008
	£	£
The movement on the deferred tax asset during the year is as follows		
Brought forward	64,697	-
Profit and loss account	(11,650)	64,697
Balance carried forward	<u>53,047</u>	<u>64,697</u>

The deferred tax asset consists of the tax effect of timing differences in respect of

Deferred capital allowances	51,055	64,697
Short term timing differences	<u>1,992</u>	<u>-</u>
	<u>53,047</u>	<u>64,697</u>

12 SHARE CAPITAL

	2009	2008
	No	No
Issued (Ordinary £1)	<u>100</u>	<u>100</u>
	£	£
Issued (Ordinary £1)	<u>100</u>	<u>100</u>

13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Share Capital	Profit and loss account	Total
	£	£	£
Loss for the year	-	(1,556,949)	(1,556,949)
Net reduction from shareholders' funds	-	(1,556,949)	(1,556,949)
Opening shareholders' funds	100	(998,625)	(998,525)
Closing shareholders' funds	<u>100</u>	<u>(2,555,574)</u>	<u>(2,555,474)</u>

14 COMMITMENTS UNDER OPERATING LEASES

At 31 December 2009 the company had annual commitments under non-cancellable operating leases as follows

	2009 £	2008 £
Land and Buildings		
Expiring in the second to fifth year	<u>50,000</u>	<u>50,000</u>
	<u>50,000</u>	<u>50,000</u>

15 PENSIONS

The company operates a money purchase (defined contribution) pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge, representing contributions payable by the company to the fund, amounted to £31,781 (2008 £4,197).

At 31 December 2009 there were outstanding contributions of £7,116 due to the pension scheme (2008 £6,777).

The company participates in the defined contribution group pension scheme operated by AAH Limited. The scheme is funded and constituted as an independently administered fund with its assets being held separately from those of the company.

16 RELATED PARTY DISCLOSURES

The company has taken advantage of the exemptions contained in FRS 8, 'Related Party Disclosures' not to disclose transactions with its parent undertakings, fellow subsidiary undertakings or the associated undertakings of any group company on the grounds that it is a 100% owned subsidiary and the consolidated financial statements of Franz Haniel & Cie GmbH, of which it is a subsidiary, are publicly available.

17 CAPITAL COMMITMENTS

Amounts contracted to but not provided for in the financial statements amounted to £1,700 (2008 - £28,406).

18 ULTIMATE PARENT UNDERTAKING AND ULTIMATE CONTROLLING PARTY

The immediate parent undertaking is Admenta Holdings Limited. The company's ultimate parent undertaking and controlling party is Franz Haniel & Cie GmbH, a company registered in Germany, by virtue of its majority shareholding in the intermediate parent Celesio AG and its consolidation of the Celesio AG Group results into its own consolidated financial statements.

Consolidated financial statements for the largest group of undertakings, which include the results of Evolution Homecare Services Limited, are prepared by Franz Haniel & Cie GmbH and may be obtained from Franz Haniel Platz 1, D-47119 Duisburg, Ruhrort, Germany.

Consolidated accounts for the smallest group of companies, which include the results of Evolution Homecare Services Limited, are prepared by Celesio AG and may be obtained from Celesio AG, Neckartalstrasse 155, D-70376 Stuttgart, Germany.