

Registration number 01142361

Chrysalis Community Care Group Limited

Directors' Report and Financial Statements

for the 52 week period ended 30 December 2011

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Chrysalis Community Care Group Limited
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Chrysalis Community Care Group Limited
Company Information

Directors	A J Burchall N P Marsh R J Watson
Company secretary	R J Watson
Registered office	800 The Boulevard Capability Green Luton Bedfordshire LU1 3BA
Bankers	Barclays Bank plc 1 Churchill Place London E14 5HP
Auditors	PricewaterhouseCoopers LLP 10 Bricket Road St Albans Hertfordshire AL1 3JX

Chrysalis Community Care Group Limited

Directors' Report for the 52 week period ended 30 December 2011

The directors present their report and the audited financial statements of the company for the 52 week period ended 30 December 2011

Directors of the company

The directors of the company who were in office during the period and up to the date of signing the financial statements were

A J Burchall

N P Marsh

R K Olney (resigned 13 January 2012)

R J Watson

Principal activity

The principal activity of the company is that of a domiciliary care provider to local authorities and private clients in their own homes

Business review

	2011 £ 000	2010 £ 000	Change %
Turnover	9,656	10,161	(5.0)
Gross profit	3,368	3,605	(6.6)
Administrative expenses	2,021	3,150	(35.8)
Earnings before non-recurring items, interest and tax	1,667	455	266.4
Gross profit percentage (%)	34.9	35.5	
Conversion rate (%) (EBNRIT to Gross profit)	49.5	12.6	

The business was impacted in 2011 by Local Authorities reducing expenditure but is well placed to capitalise on the growing demand for homecare services in the future. Despite the fall in gross profit, a reduction in administrative expenses enabled operating profit to more than triple.

The business was rebranded as Medacs Homecare in January 2011.

Insurance

Impellam Group plc ("the Group"), of which the company is a member, maintains a comprehensive insurance programme with a number of reputable third party underwriters. These insurance policies are reviewed annually to ensure that there is adequate cover for insurable risks and that the terms of those policies are optimised.

Principal risks and uncertainties

The principal risks and uncertainties of the Group, which include those of the company, are discussed in the Finance Report in the Group's annual report which does not form part of this report. The Group's business and financial risks are managed at a Group level, rather than at an individual company level. For this reason, the company's directors believe that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of the company.

Regulatory environment

The provision of staffing services requires an increasing number of checks for both legislation and client contractual arrangements, these can vary widely by sector and geography. Such compliance requirements are constantly changing with new legislation being introduced and new or revised contracts being negotiated. The "Agency Workers Directive" enacted in the UK in October 2011 is one example of such new legislation that will require additional record keeping, increase the costs associated with the employment of temporary workers and may, therefore, impact on profitability. Not only is there a potential to directly impact profitability, but failure to meet these requirements could lead to legal, financial and reputational consequences.

The company takes its responsibilities seriously, is committed to meeting all of its regulatory responsibilities and regularly reviews its policies, processes and systems to reflect best practice. All employees are informed and trained on any new requirements as they become necessary, all new employees receive training on all relevant operating standards and there is a team of compliance officers who regularly conduct spot checks to ensure standards are being maintained.

Chrysalis Community Care Group Limited

Directors' Report for the 52 week period ended 30 December 2011

..... continued

Technology systems

The company is reliant on a number of technology systems in providing its services to clients and in sourcing and communicating with candidates and staff. These systems are located both in-house and in various data centres. These systems are vulnerable to matters beyond the Group's control, such as natural disasters and power or telecommunications failures. Also, the systems could be vulnerable to improper or negligent operation by employees or from unauthorised access.

The business continues to develop and enhance controls, the associated disaster recovery systems, including physically separate disaster recovery sites, and other areas to improve its ability to cope with the loss or disruption of a technology system as a result of any such event. In addition, data protection is a key priority and specific contractual provisions exist to ensure safety and security of confidential data.

Donations

There were no charitable or political donations made by the company in either 2011 or 2010.

Employment of disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The company recognises that it is essential to maintain a highly skilled workforce. To this end the policy of training and development is incorporated in the company plan. It is the policy to promote from within the organisation wherever the possibility exists.

Health and safety measures are given particular attention by the directors and a written policy exists and is known throughout the company.

The company recognises the need for employees to be informed of the company's activities and performance. A corporate intranet for all employees provides a wide range of information and provides an increasingly important communication tool for policies and procedures as well as the sharing of information, document storage and specific news. Meetings are held between management and employees to allow sharing of information and consultation. Employees participate directly in the performance of the business through the Company's bonus arrangements.

Supplier payment policy

The company's policy, which is also applied by the group of which the company is a member, is to settle terms of payment with suppliers when agreeing the terms of each transaction and to ensure that suppliers are made aware of the terms of payment. The company abides by the terms of payment. The company's trade creditors are settled by another group company.

Directors' liabilities

During the period and to the date of these financial statements, the Group had in force an indemnity provision in favour of one or more Directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006.

Disclosure of information to the auditors

Each director has taken 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 which they know the auditors are unaware of.

Chrysalis Community Care Group Limited

Directors' Report for the 52 week period ended 30 December 2011

..... continued

Reappointment of auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and so are deemed to be reappointed under section 487(2) of the Companies Act 2006

Approved by the Board on 30 March 2012 and signed on its behalf by

A handwritten signature in black ink, appearing to be 'A J Burchall', written over a horizontal line.

A J Burchall
Director

Chrysalis Community Care Group Limited

Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have prepared 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 have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Chrysalis Community Care Group Limited

Independent Auditors' Report

We have audited the financial statements of Chrysalis Community Care Group Limited for the 52 weeks ended 30 December 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities (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 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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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. In addition, we read all the financial and non-financial information in the Directors' Report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 30 December 2011 and of its profit for the period 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.

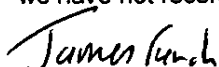
Opinion on other matter prescribed by the Companies Act 2006

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

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.



James French (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
St Albans

30 March 2012

Chrysalis Community Care Group Limited
Profit and Loss Account for the 52 week period ended 30 December 2011

	Note	30 December 2011 £ 000	31 December 2010 £ 000
Turnover	2	9,656	10,161
Cost of sales		<u>(6,288)</u>	<u>(6,556)</u>
Gross profit		3,368	3,605
Administrative expenses		<u>(2,021)</u>	<u>(3,150)</u>
Operating profit	3	1,347	455
Income from shares in group undertakings		16	-
Interest payable and similar charges	8	<u>(2)</u>	<u>(18)</u>
Profit on ordinary activities before taxation		1,361	437
Tax on profit on ordinary activities	9	<u>(430)</u>	<u>56</u>
Profit for the financial period	18	<u><u>931</u></u>	<u><u>493</u></u>

Turnover and operating profit for the current and prior periods derive wholly from continuing operations

The company has no recognised gains or losses for the current and prior periods other than the results above and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the profit on ordinary business activities before taxation and the retained profit for the period stated above and their historical cost equivalents for the current and prior periods


Chrysalis Community Care Group Limited

Registration number: 01142361

Balance Sheet as at 30 December 2011

	Note	30 December 2011 £ 000	31 December 2010 £ 000
Fixed assets			
Intangible assets	10	943	1,003
Tangible assets	11	97	175
Investments	12	-	436
		<u>1,040</u>	<u>1,614</u>
Current assets			
Debtors	13	2,345	1,127
Cash at bank and in hand		216	1,399
		<u>2,561</u>	<u>2,526</u>
Creditors Amounts falling due within one year	14	<u>(1,037)</u>	<u>(1,992)</u>
Net current assets		<u>1,524</u>	<u>534</u>
Total assets less current liabilities		2,564	2,148
Creditors Amounts falling due after more than one year	15	-	(481)
Provisions for liabilities	16	-	(34)
Net assets		<u>2,564</u>	<u>1,633</u>
Capital and reserves			
Profit and loss account	18	<u>2,564</u>	<u>1,633</u>
Total shareholders' funds	19	<u>2,564</u>	<u>1,633</u>

The financial statements on pages 7 to 19 were approved by the Board on 30 March 2012 and signed on its behalf by



A J Burchall
Director

Chrysalis Community Care Group Limited
Notes to the Financial Statements for the 52 week period
ended 30 December 2011

1 Accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with applicable UK accounting standards and the Companies Act 2006. The principal accounting policies have been applied consistently during the period and are set out below.

Exemption from preparing a cash flow statement

The company has taken advantage of the exemption under FRS 1 (Revised 1996) 'Cash flow Statements' not to publish a cash flow as its ultimate parent, Impellam Group plc, a company incorporated in the United Kingdom, has prepared consolidated financial statements which are publicly available.

Exemption from preparing group accounts

The company has taken exemption from preparing group accounts as it is included in consolidated accounts for Impellam Group plc which are drawn up as full consolidated audited accounts which are filed at Companies House as per section 400 of the Companies Act 2006.

Significant accounting judgements

In applying the company's accounting policies the following judgements have been made that may have a significant effect on the amounts recognised in the financial statements:

Impairment of goodwill

The company determines whether goodwill is impaired if events or changes in circumstances indicate that the carrying value may not be recoverable at least on an annual basis. This requires an estimation of the recoverable amount of the cash-generating unit to which the goodwill is allocated. Estimating the value in use requires the company to make an estimate of the future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Recoverability of debtors

The company determines whether debtors are impaired if events or changes in circumstances indicate that the carrying value may not be recoverable at least on an annual basis.

Vacant property

When a property substantially ceases to be used for the purposes of the business, provision is made to the extent that the recoverable amount of the interest in the property is expected to be insufficient to cover the future obligations relating to the lease.

Turnover

Turnover, which is stated exclusive of value added tax, comprises amounts receivable for employment services, net of rebates and discounts provided within the United Kingdom. The nature of the company's activities is such that revenue is recognised when a written agreement, terms and conditions or an approved customer order is in place and the services have been fully rendered. At that time, pricing is then fixed and determinable. The company's procedures require review of a customer's ability to pay prior to a service provision, at the time of such provision, and at the time of billing, such that collectibility is reasonably assured.

Goodwill

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Tangible assets and depreciation

Tangible fixed assets are stated at cost or valuation, less depreciation and any provision for impairment. Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Chrysalis Community Care Group Limited
Notes to the Financial Statements for the 52 week period
ended 30 December 2011

..... *continued*

Asset class	Depreciation method and rate
Short leasehold properties	over the lease term
Fixtures and fittings	between 3 and 10 years

Fixed asset investments

Fixed asset investments are stated at cost less a provision for impairment. The carrying values of investments are reviewed for impairment at least on an annual basis. This requires an estimation of the recoverable amount of the cash-generating unit to which the assets are allocated. Estimating the value in use requires the company to make an estimate of the future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Taxation

Current tax is recognised at the amounts estimated to be payable or recoverable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are recognised, subject to certain exceptions, in respect of all material timing differences between the recognition of gains and losses in the financial statements and for tax purposes. Those timing differences recognised may include accelerated capital allowances, unrelieved tax losses and short term timing differences. Timing differences not recognised include those relating to the revaluation of fixed assets in the absence of a commitment to sell the revalued assets and the gain on sale of assets rolled over into replacement assets in the absence of a commitment to sell the replacement assets.

Deferred tax assets are recognised to the extent that they are regarded as recoverable. They are regarded as recoverable to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

Leasing

Rentals payable under operating leases, where substantially all the benefits and risks of ownership remain with the lessor, are charged in the profit and loss account on a straight line basis over the lease term.

Financial instruments

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. Financial assets and financial liabilities are recorded at fair value on the transaction date, on the company's balance sheet when the company has become a party to the contractual provisions of the instrument and derecognised when this is no longer the case.

Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

Capital instruments

Shares are included in shareholders' funds. Other instruments are classified as liabilities if they contain an obligation to transfer economic benefits and if not they are included in shareholders' funds. The finance cost recognised in the profit and loss account in respect of capital instruments other than equity shares is allocated to periods over the term of the instrument at a constant rate on the carrying amount.

Chrysalis Community Care Group Limited
Notes to the Financial Statements for the 52 week period
ended 30 December 2011

..... *continued*

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money. When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost

2 Turnover

The turnover of the company arises wholly from activities undertaken within the United Kingdom

3 Operating profit

Operating profit is stated after charging

	2011 £ 000	2010 £ 000
Operating leases - plant and machinery	11	15
Operating leases - other assets	126	153
Depreciation of tangible assets	82	94
Amortisation	60	60
Auditor's remuneration	<u>7</u>	<u>8</u>

4 Auditor's remuneration

	2011 £ 000	2010 £ 000
Audit of the financial statements	<u>7</u>	<u>8</u>

5 Non-recurring items

	2011 £ 000	2010 £ 000
Exceptional administrative expenses	<u>304</u>	<u>-</u>

The exceptional administrative expenses in 2011 relate to property provisions on empty offices and associated redundancy costs

Chrysalis Community Care Group Limited
Notes to the Financial Statements for the 52 week period
ended 30 December 2011

..... *continued*

6 Particulars of employees

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

	2011 Number	2010 Number
Administration and support	4	4
Employment services	48	54
	<u>52</u>	<u>58</u>

The aggregate payroll costs were as follows

	2011 £ 000	2010 £ 000
Wages and salaries	1,131	1,338
Social security costs	149	177
Staff pensions	11	12
	<u>1,291</u>	<u>1,527</u>

7 Directors' remuneration

The emoluments of the directors are paid by the ultimate parent company, or by another group company. The directors' services to this company are of a non-executive nature and are deemed to be attributable to services to the remunerating company. Accordingly, the directors received no remuneration for services to the company in the period (2010 £nil)

8 Interest payable and similar charges

	2011 £ 000	2010 £ 000
Interest on loans from group undertakings	-	14
Other interest payable	2	4
	<u>2</u>	<u>18</u>

9 Tax on profit on ordinary activities

	2011 £ 000	2010 £ 000
Current tax		
Corporation tax charge	382	29
Deferred tax		
Origination and reversal of timing differences (note 13)	48	(85)
Total tax on profit on ordinary activities	<u>430</u>	<u>(56)</u>

Chrysalis Community Care Group Limited
Notes to the Financial Statements for the 52 week period
ended 30 December 2011

..... *continued*

Factors affecting current tax charge for the period

The effective current tax rate on the profit on ordinary activities before tax can be reconciled to the standard rate of corporation tax (taken to be the standard rate of corporation tax in the UK) as follows

	2011	2010
	%	%
Standard rate of tax	26.5	28.0
Transfer pricing adjustments (see below)	(0.5)	(2.0)
Other permanently disallowable/taxable items	2.8	4.4
Income from shares in subsidiaries	(8.8)	-
Impairment of subsidiary investments	8.5	-
Utilisation of ACT previously surrendered	-	(22.8)
Depreciation and similar charges in excess of capital allowances	(0.5)	(1.0)
Effective current tax rate	<u>28.0</u>	<u>6.6</u>

UK legislation requires, in broad terms, that most transactions between connected parties be an arm's length price for tax purposes (commonly known as 'transfer pricing'). As a result, this company is entitled to a deduction for deemed net interest payable in respect of intercompany balances that has not been recognised in the financial statements

A reduction in the main rate of corporation tax to 26% from 1 April 2011 was substantively enacted on 29 March 2011 and impacts the measurement of deferred tax balances for periods ending after this date

Finance Act 2011 subsequently confirmed a further 1% reduction in the main rate to 25% with effect from 1 April 2012 which has impacted the current period's deferred tax

Following the Budget speech on 21 March 2012, it is now expected that there will be a further 1% reduction to the standard rate of tax to 24% with effect from 1 April 2012, with further 1 per cent per annum reductions to 22% by 1 April 2014. These proposed changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements

10 Intangible assets

	Goodwill £ 000
Cost	
At 1 January 2011	<u>1,181</u>
At 30 December 2011	<u>1,181</u>
Amortisation	
At 1 January 2011	178
Charge for the period	<u>60</u>
At 30 December 2011	<u>238</u>
Net book value	
At 30 December 2011	<u>943</u>
At 31 December 2010	<u>1,003</u>

Chrysalis Community Care Group Limited
Notes to the Financial Statements for the 52 week period
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..... continued

11 Tangible assets

	Short leasehold properties £ 000	Fixtures and fittings £ 000	Total £ 000
Cost or valuation			
At 1 January 2011	20	526	546
Additions	-	6	6
Disposals	-	(2)	(2)
At 30 December 2011	<u>20</u>	<u>530</u>	<u>550</u>
Depreciation			
At 1 January 2011	11	360	371
Charge for the period	<u>6</u>	<u>76</u>	<u>82</u>
At 30 December 2011	<u>17</u>	<u>436</u>	<u>453</u>
Net book value			
At 30 December 2011	<u>3</u>	<u>94</u>	<u>97</u>
At 31 December 2010	<u>9</u>	<u>166</u>	<u>175</u>

Chrysalis Community Care Group Limited
Notes to the Financial Statements for the 52 week period
ended 30 December 2011

..... *continued*

12 Fixed asset investments

	2011 £ 000	2010 £ 000
Shares in group undertakings and participating interests	-	436
Shares in group undertakings and participating interests		
		Subsidiary undertaking £ 000
Cost		
At 1 January 2011		436
Return of investment		(436)
At 30 December 2011		-
Net book value		
At 30 December 2011		-
At 31 December 2010		436

During the year Chrysalis Community Care (Bristol) Limited, a wholly owned subsidiary of the company, declared a dividend of £452,098 to be treated as a return of the investment in the company up to the value of the total invested in the company. Amounts over the value of investment are treated as dividend income on the profit and loss account.

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	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings			
Chrysalis Community Care (Bristol) Limited	Ordinary	100%	Non-trading

The directors believe that the carrying value of the investments is supported by their underlying trade and net assets.

Chrysalis Community Care Group Limited
Notes to the Financial Statements for the 52 week period
ended 30 December 2011

..... *continued*

13 Debtors

	2011 £ 000	2010 £ 000
Trade debtors	574	664
Amounts owed by group undertakings	1,248	116
Other debtors	392	76
Deferred tax	37	85
Prepayments and accrued income	94	186
	<u>2,345</u>	<u>1,127</u>

Amounts owed by group undertakings are interest free, unsecured and repayable on demand

Certain trade debtors are subject to revolving credit facilities under which the company receives a substantial proportion of the value of the trade debtors shortly after they have been invoiced (see note 14)

Deferred tax

The movement in the deferred tax asset in the period is as follows

	£ 000
At 1 January 2011	85
Deferred tax charged to the profit and loss account (note 9)	<u>(48)</u>
At 30 December 2011	<u>37</u>

Analysis of deferred tax

	2011 £ 000	2010 £ 000
Difference between accumulated depreciation and amortisation and capital allowances	36	45
Other timing differences	1	11
Tax losses available	<u>-</u>	<u>29</u>
	<u>37</u>	<u>85</u>

Chrysalis Community Care Group Limited
Notes to the Financial Statements for the 52 week period
ended 30 December 2011

..... *continued*

14 Creditors: Amounts falling due within one year

	2011 £ 000	2010 £ 000
Trade creditors	-	2
Other loans	14	145
Amounts owed to group undertakings	467	1,035
Corporation tax	-	29
Other taxes and social security	134	180
Other creditors	225	89
Accruals and deferred income	197	512
	<u>1,037</u>	<u>1,992</u>

a) The other loans relate to revolving credit facilities (invoice discounting) over the trade debtors described in note 13. Any revolving credit liability is secured by a fixed charge over certain assets of the company and by composite guarantees and debentures from fellow group undertakings. These facilities incur interest at 1.85% over UK base rate and are repayable on demand.

b) Amounts owed to group undertakings are interest free, unsecured and repayable on demand.

15 Creditors: Amounts falling due after more than one year

	2011 £ 000	2010 £ 000
Amounts owed to group undertakings	<u>-</u>	<u>481</u>

Amounts owed to group companies due after more than one year relate to long term loans from group companies. These loans are unsecured and interest free. This loan was repaid in the year.

16 Provisions for liabilities

	Vacant property provision £ 000
At 1 January 2011	34
Utilised during the period	<u>(34)</u>
At 30 December 2011	<u>-</u>

Property provisions are in respect of amounts expected to be due on the expiry of leases to return leased property to the condition in which it was at the start of the lease.

Chrysalis Community Care Group Limited
Notes to the Financial Statements for the 52 week period
ended 30 December 2011

..... *continued*

17 Called up share capital

Allotted, called up and fully paid shares

	2011		2010	
	Number	£	Number	£
Deferred shares of £1 each	30	30	30	30
Ordinary shares of US\$1 each	30	19	30	19
	<u>60</u>	<u>49</u>	<u>60</u>	<u>49</u>

The deferred shares have no rights to dividends before 2020. Thereafter they have a right to 1/24 of the rate of dividend paid on ordinary shares. On a winding up the deferred shares have the right to repayment of capital after the company has paid its liabilities and distributed the amount paid up or credited as paid up on ordinary shares. The deferred shares carry no right to attend or vote at general meetings of the company.

18 Profit and loss account

	£ 000
At 1 January 2011	1,633
Profit for the financial period	<u>931</u>
At 30 December 2011	<u>2,564</u>

19 Reconciliation of movements in shareholders' funds

	2011 £ 000	2010 £ 000
Profit for the financial period	<u>931</u>	<u>493</u>
Net addition to shareholders' funds	931	493
Shareholders' funds at start of period	<u>1,633</u>	<u>1,140</u>
Shareholders' funds at end of period	<u>2,564</u>	<u>1,633</u>

Chrysalis Community Care Group Limited
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..... *continued*

20 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £11,000 (2010 - £12,000).

Contributions totalling £11,000 (2010 - £2,000) were payable to the scheme at the end of the period and are included in creditors.

21 Contingent liabilities

The company has given cross guarantees as part of the invoice discounting facility of the Group of which the company is a member, a net aggregate amount of £20,462,260 was drawn down by other group companies as at 30 December 2011 (2010 £11,912,725).

22 Commitments

Operating lease commitments

As at 30 December 2011 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire

	2011 £ 000	2010 £ 000
Land and buildings		
Within one year	27	-
Within two and five years	88	182
	<u>115</u>	<u>182</u>

23 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the Group.

24 Control

As at the balance sheet date the company's immediate parent undertaking was ADG Group Limited, a company incorporated in England and Wales. On 31 January 2012 Medacs Healthcare Group Limited, a company incorporated in England and Wales, became the company's new immediate parent company.

The directors regard Impellam Group plc, a company incorporated in England and Wales, as the ultimate parent undertaking. This is also the parent undertaking of the largest and smallest group which includes the company and for which group financial statements are prepared. Copies of the group financial statements of Impellam Group plc will be delivered to, and be available from, the Registrar of Companies, Companies Registration Office, Crown Way, Maundy, Cardiff, CF14 3UZ.

At 30 December 2011, the Lombard Trust was interested in and controlled 57.6% of Impellam Group plc.