Sycamore Rise (Domiciliary) Limited

Financial statements

For the year ended 31 December 2010

Company No. 1598899

Company information

Company registration number	1598899
Registered office	1390 Montpellier Court Gloucester Business Park Brockworth Gloucester GL3 4AH
Directors	A M Long B R Westran Mears Group PLC
Bankers	Barclays Bank PLC PO Box 119 Park House Newbrick Road Stoke Gifford Bristol BS34 8TN
Solicitors	BPE St James's House St James' Square Cheltenham Gloucestershire GL50 3PR
Auditor	Grant Thornton UK LLP Chartered Accountants Registered Auditors Hartwell House 55 - 61 Victoria Street Bristol BS1 6FT

Contents

Report of the Directors

The Directors present their report and the financial statements of the Company for the year ended 31 December 2010

Principal activities

The principal activity of the Company during the year was the provision of domiciliary care

Results and dividends

On the 31 December 2010, the trading business of the Company was transferred to Mears Care Limited

The profit for the year, after taxation, amounted to £70,340 (2009 - £31,064) The Directors have not recommended a dividend for 2010 (2009 - £nil)

The Company is expected to remain dormant for the foreseeable future

Directors

The Directors who served the Company during the period were as follows

A M Long	
B R Westran	
Mears Group PLC	(corporate director appointed 1 June 2010)
J P Coleman	(resigned 28 May 2010)

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws) 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 and 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 judgments 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,

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

In so far as each of the directors is aware

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Report of the Directors - continued

Going concern consideration

Mears Group PLC, the ultimate parent company, has a centralised treasury arrangement and so shares banking arrangements with its subsidiaries

After making enquiries, the directors believe that the Group and company have adequate resources to continue in operational existence for the foreseeable future, and they have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the group to continue as a going concern or its ability to continue with the current banking arrangements Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts

Small company provisions

The Director's report has been prepared in accordance with the special provisions for small companies under section 415A of the Companies Act 2006

Auditor

A resolution to re-appoint Grant Thornton UK LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with s489 of the Companies Act 2006

This report was approved by the board on 15 April 2011 and signed on its behalf

B R Westran
Director

Report of the independent auditor to the member of Sycamore Rise (Domiciliary) Limited

We have audited the financial statements of Sycamore Rise (Domiciliary) Limited for the year ended 31 December 2010 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)

This report is made solely to the company's member, as a body, in accordance with Chapter 3 Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's member 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 member 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 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 APB's website at www frc org uk/apb/scope/private cfm

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 2010 and of its profit 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 Report of the Directors for the financial year 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

Grant Thornton UK LLP

J Geraint Davies

Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Bristol

15 April 2011

Principal accounting policies

Basis of Accounting

The Financial Statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards The accounting policies are unchanged from the previous year

Cash Flow Statement

The Directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that 100% of the voting rights of the Company are controlled by its ultimate parent Company, which publishes a consolidated cash flow statement

Turnover

Turnover comprises the value of services supplied by the Company during the period, exclusive of Value Added Tax Turnover is recognised when the individual item of service has been completed Turnover relating to completed items of service uninvoiced at the period end is accrued and disclosed under prepayments and accrued income

All turnover is attributable to the one principal activity of the Company, and totally derived in the United Kingdom

Fixed assets

Tangible fixed assets are stated at historical cost less depreciation Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset The rates generally applicable are as follows

Improvements to leasehold property	-	Over the period of the lease, straight line
Fixtures and office equipment	-	25% reducing balance
Computer equipment and software	-	25% reducing balance

Operating Lease Agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax

Deferred tax assets are recognised only where it is considered 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 measured on an undiscounted 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

Principal accounting policies - continued

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities Financial liabilities are presented as such in the balance sheet Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account Finance costs are calculated so as to produce a constant rate of return on the outstanding liability

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument Dividends and distributions relating to equity instruments are debited direct to equity

Profit and loss account

	Note	2010 £	2009 £
Turnover	1	**576,101**	489,121
Cost of sales		**(379,933)**	(316,435)
Gross profit		**196,168**	172,686
Administrative expenses		**(125,828)**	(158,988)
Operating profit	2	**70,340**	13,698
Interest receivable and similar income		**-**	697
Profit on ordinary activities before taxation		**70,340**	14,395
Tax on profit on ordinary activities	5	**-**	16,669
Profit for the financial period	14	**70,340**	31,064

On the 31 December 2010, the trading business of the Company was transferred to Mears Care Limited and the Company ceased to trade All of the activities of the Company are classed as discontinued

The Company has no recognised gains or losses other than the results for the year as set out above

Balance sheet

	Note	2010 £	2010 £	2009 £	2009 £
Fixed assets					
Tangible assets	6		-		34,949
Current assets					
Debtors	7	-		75,511	
Cash at bank and in hand		-		536	
		-		76,047	
Creditors amounts due within one year	8	-		(28,176)	
Net current assets			-		47,871
Total assets less current liabilities			-		82,820
Creditors. amounts due after one year	9		**(180,907)**		(334,067)
			(180,907)		(251,247)
Capital and reserves					
Share capital	12		**1,000**		1,000
Profit and loss account	13		**(181,907)**		(252,247)
Shareholders' deficit	14		**(180,907)**		(251,247)

The financial statements were approved and authorised for issue by the Directors and are signed on their behalf on 15 April 2011

B R Westran
Director

Notes to the financial statements

1 Turnover

The turnover and profit before tax are attributable to the one principal activity of the Company All turnover is derived from within the United Kingdom

2 Operating profit

Operating profit is stated after charging

	2010 £	2009 £
Depreciation of tangible fixed assets owned by the Company	**7,552**	2,088
Loss on disposal of fixed assets	**1,302**	-
Operating lease rentals		
- land and buildings	**825**	8,331
- plant and equipment	**3,576**	3,238

3 Auditor's remuneration

Fees payable to the auditors for the period

	2010 £	2009 £
For the audit of the Company's financial statements	**3,000**	4,000
For taxation compliance fees	**1,000**	1,000

4 Employees

The average number of staff employed by the Company during the financial year amounted to

	2010 No	2009 No
Administrative staff	**4**	7
Carers	**46**	43
	50	50

The aggregate payroll costs of the above were

	£	£
Wages and salaries	**409,150**	338,282
Social security costs	**26,715**	22,119
	435,865	360,401

No director received any remuneration from the Company Directors are remunerated through other group companies

Notes to the financial statements

5 Taxation on ordinary activities

	2010 £	2009 £
Analysis of charge in the year		
Current tax (see note below)		
UK Corporation tax based on the results for the year	–	–
Adjustment in respect of prior periods	–	(16,669)
Tax on profit on ordinary activities	–	(16,669)

Factors affecting tax charge for the year

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 28% (2009 – 28%)

	2010 £	2009 £
Profit on ordinary activities before taxation	70,340	14,395
Profit on ordinary activities multiplied by standard rate of tax	19,695	4,031
Effects of:		
Expenses not deductible for tax purposes	140	168
Depreciation for period in excess of capital allowances	1,120	(1,640)
Losses brought forward and utilised	(20,955)	(2,559)
Adjustment in respect of prior periods	–	(16,669)
Total current tax charge for the year	–	(16,669)

6 Tangible fixed assets

	Leasehold Improvements £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 January 2010	9,303	28,019	37,322
Disposal	(1,595)	–	(1,595)
Transfer to group companies	(7,708)	(28,019)	(35,727)
At 31 December 2010	–	–	–
Depreciation			
At 1 January 2010	839	1,534	2,373
Charge for the year	930	6,622	7,552
Disposal	(292)	–	(292)
Transfer to group companies	(1,477)	(8,156)	(9,633)
At 31 December 2010	–	–	–
Net book value			
At 31 December 2010	–	–	–
At 31 December 2009	8,464	26,485	34,949

Notes to the financial statements

7 Debtors

	2010 £	2009 £
Trade debtors	-	57,197
Prepayments and accrued income	-	18,314
	-	75,511

8 Creditors amounts falling due within one year

	2010 £	2009 £
Other taxation and social security	-	5,697
Accruals and deferred income	-	22,479
	-	28,176

9 Creditors· amounts falling due after more than one year

	2010 £	2009 £
Amounts owed to group undertakings	**180,907**	334,067

10 Financial instruments

The Company uses financial instruments, other than derivatives, comprising borrowings, cash and various items such as trade debtors and trade creditors that arise directly from its operations The main purpose of these financial instruments is to finance the Company's operations

The main risks arising from the Company's financial instruments are liquidity risk and credit risk

The Company seeks to manage liquidity risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably The Company has no overdraft

Trade debtors are normally due within 30 to 60 days All trade debtors are subject to credit risk exposure However there is no specific concentration of credit risk as the amounts recognised represent a large number of receivables from various customers

The Company has no interests in the trade of financial instruments, interest rate swaps or forward interest rate agreements

11 Related party transactions

As a wholly owned subsidiary of Mears Group PLC, the Company is exempt from the requirement of Financial Reporting Standard 8 Related Party Disclosures to disclose transactions with other members of the Group headed by Mears Group PLC on the grounds that Group accounts are publicly available

12 Share capital

Authorised, allotted, called up and fully paid share capital

	2010 £	2009 £
1,000 ordinary shares of £1 each	**1,000**	1,000

Notes to the financial statements

13 Reserves

	Profit and loss account £
At 1 January 2010	(252,247)
Profit for the year	70,340
At 31 December 2010	(181,907)

14 Reconciliation of movements in shareholders' deficit

	2010 £	2009 £
Profit for the financial year	70,340	31,064
Opening shareholders' (deficit)	(251,247)	(282,311)
Closing shareholders' (deficit)	(180,907)	(251,247)

15 Going concern

Despite a capital and reserves deficit at 31 December 2010 of £180,907 (2009 - £251,247) the Directors have prepared the financial statements on a going concern basis The Directors consider this to be appropriate as the Company has received confirmation from its ultimate parent undertaking, Mears Group PLC, that it intends to continue to support the Company to enable it to meet its day to day expenses for the foreseeable future

16 Ultimate parent company

The Directors consider that the ultimate parent undertaking and controlling related party of this Company is Mears Group PLC by virtue of its 100% shareholding

The largest, and smallest, group of undertakings for which Group accounts have been drawn up is that headed by Mears Group PLC These accounts are available from The Company Secretary, Mears Group PLC, 1390 Montpellier Court, Gloucester Business Park, Brockworth, Gloucester GL3 4AH