

Registration number: 03473878

**Tenet Business Solutions Limited**  
**Annual Report and Financial Statements**  
**for the Year Ended 30 September 2016**

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# **Tenet Business Solutions Limited**

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# **Tenet Business Solutions Limited**

## **Company Information**

### **Directors**

C J Bradley  
M J O'Brien  
S M Jones  
M Thomas  
H M Ball

### **Company secretary**

R J Fletcher

### **Registered office**

5 Lister Hill  
Horsforth  
Leeds  
West Yorkshire  
LS18 5AZ

### **Solicitors**

Eversheds LLP  
Bridgewater Place  
Water Lane  
Leeds  
LS11 5DR

### **Bankers**

Lloyds Bank PLC  
116 Wellington Street  
Leeds  
LS1 4LT

### **Auditors**

Deloitte LLP  
Chartered Accountants & Statutory Auditor  
1 City Square  
Leeds  
LS1 2AL

## **Tenet Business Solutions Limited**

### **Strategic Report for the Year Ended 30 September 2016**

The directors present their strategic report for the year ended 30 September 2016.

#### **Fair review of the business**

The company's principal activities are to provide marketing, employment and IT support to Tenet Group Limited and its subsidiary companies ("the Group"). There have not been any significant changes in the company's principal activities in the year under review.

The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

As shown in the company's income statement on page 8 revenue received from other group companies has decreased by 8% from the prior year reflecting current market conditions.

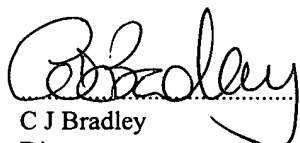
The company's statement of financial position on page 9 shows that the net asset position has increased by 6% from the prior year. Cash balances have slightly increased year on year.

Note 2 includes details of key assumptions used in the preparation of the company's financial statements. Note 3 details the principal risks and uncertainties facing the company. There have been no significant events since the balance sheet date.

The company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business.

The directors are satisfied with the results for the year and expect the general level of activity to be similar in the coming year. The company has invested significantly in its technology solutions and will continue to do so in the forthcoming year.

Approved by the Board on 26 June 2017 and signed on its behalf by:



C J Bradley  
Director

## **Tenet Business Solutions Limited**

### **Directors' Report for the Year Ended 30 September 2016**

The directors present their report and the financial statements for the year ended 30 September 2016.

#### **Directors' of the company**

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

C J Bradley

M J O'Brien

G M Davidson (resigned 13 December 2016)

S M Jones

M Thomas

H M Ball

J D Thompson (resigned 28 October 2016)

#### **Results and Proposed Dividends**

The results for the year are dealt with in the income statement on page 8.

The directors do not recommend a dividend (2015: nil).

#### **Environment**

The company operates in accordance with the policies of the Group, which are described in the Group's Annual Report which does not form part of this report.

#### **Directors' Indemnities**

As at the date of this report, indemnities are in force under which the company has agreed to indemnify the directors of the company, to the extent permitted by law and the company's Articles of Association, in respect of all losses arising out of, or in connection with, the execution of their powers, duties and responsibilities, as directors of the company.

## **Tenet Business Solutions Limited**

### **Directors' Report for the Year Ended 30 September 2016 (continued)**

#### **Going concern**

As highlighted in the Group's Annual Report, although the current economic conditions create uncertainty in respect of the level of demand for financial services products the company has a profitable business model. Although not directly involved in the sale of financial services products, the company's business model is intrinsically linked to the performance of other Group companies which are exposed to economic conditions. The company's forecasts and projections, including sensitivity analysis taking into account reasonably possible adverse changes in trading performance, show that the company should continue to trade profitably in future years despite the current uncertain economic outlook. As a consequence, the directors believe that the company is well placed to manage its business risks successfully in the present challenging economic environment.

The company has an adequate level of financial resources with net assets of £4.0 million, cash balances of £0.1 million and no bank debt or other financial liabilities with any restrictive or financial covenants. It has long established relationships with a large number of product providers and suppliers across a diverse geographical area within the U.K, with no significant credit risk exposure to any single counterparty other than the Group.

As stated in Note 2, taking these factors into account, and after making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

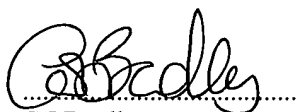
#### **Disclosure of information to the auditors**

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 auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

#### **Reappointment of auditors**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Deloitte LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board on 26 June 2017 and signed on its behalf by:



C J Bradley  
Director

## **Tenet Business Solutions Limited**

### **Statement of Directors' Responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). 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 FRS 101 has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

## **Tenet Business Solutions Limited**

### **Independent Auditor's Report**

We have audited the financial statements of Tenet Business Solutions Limited for the year ended 30 September 2016 which comprise Income Statement, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 15. 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), 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 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.

#### **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 annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **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 30 September 2016 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

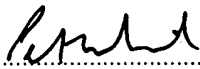
## **Tenet Business Solutions Limited**

### **Independent Auditor's Report (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



Peter Birch (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP, Statutory Auditor

1 City Square  
Leeds  
LS1 2AL

26<sup>th</sup> June 2017

# **Tenet Business Solutions Limited**

## **Income Statement for the Year Ended 30 September 2016**

	<b>Note</b>	<b>2016 £</b>	<b>2015 £</b>
Turnover	2	2,269,615	2,470,668
Cost of sales		<u>(2,196,832)</u>	<u>(2,399,243)</u>
Gross profit		72,783	71,425
Administrative expenses	2	<u>(72,079)</u>	<u>(21,304)</u>
Operating profit	6	704	50,121
Other interest receivable and similar income	5	<u>786</u>	<u>588</u>
Profit before tax		1,490	50,709
Tax on profit on ordinary activities	7	<u>226,512</u>	<u>137,827</u>
Profit for the year		<u>228,002</u>	<u>188,536</u>

The above results were derived from continuing operations.

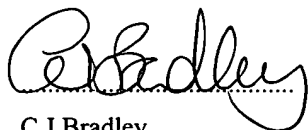
# Tenet Business Solutions Limited

(Registration number: 03473878)

## Statement of Financial Position as at 30 September 2016

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	8	3,579,797	3,199,333
Investments	9	-	-
		<u>3,579,797</u>	<u>3,199,333</u>
<b>Current assets</b>			
Debtors	10	4,205,397	3,129,637
Cash at bank and in hand		111,802	88,603
		<u>4,317,199</u>	<u>3,218,240</u>
<b>Creditors: Amounts falling due within one year</b>	11	<u>(3,887,302)</u>	<u>(2,635,881)</u>
<b>Net current assets</b>		<u>429,897</u>	<u>582,359</u>
<b>Net assets</b>		<u>4,009,694</u>	<u>3,781,692</u>
<b>Capital and reserves</b>			
Called up share capital	12	2,712,416	2,712,416
Profit and loss account		<u>1,297,278</u>	<u>1,069,276</u>
Shareholders' funds		<u>4,009,694</u>	<u>3,781,692</u>

The financial statements of Tenet Business Solutions Limited (registration number 03473878) were approved by the Board on 26 June 2017 and signed on its behalf by:



C J Bradley

Director

# Tenet Business Solutions Limited

## Statement of Changes in Equity for the Year Ended 30 September 2016

	Share capital £	Retained earnings £	Total £
At 1 October 2015	2,712,416	1,069,276	3,781,692
Profit for the year	-	228,002	228,002
Total comprehensive income	-	228,002	228,002
At 30 September 2016	2,712,416	1,297,278	4,009,694

	Share capital £	Retained earnings £	Total £
At 1 October 2014	2,712,416	880,740	3,593,156
Profit for the year	-	188,536	188,536
Total comprehensive income	-	188,536	188,536
At 30 September 2015	2,712,416	1,069,276	3,781,692

The notes on pages 11 to 20 form an integral part of these financial statements.

## **Tenet Business Solutions Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2016**

#### **1 General information**

The address of its registered office is:  
5 Lister Hill  
Horsforth  
Leeds  
West Yorkshire  
LS18 5AZ

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, in the year ended 30 September 2016 the company has changed its accounting framework from International Financial Reporting Standards ("IFRSs") as adopted by the European Union to Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101") as issued by the Financial Reporting Council and has, in doing so, applied the requirements of FRS 1.6-33 and related appendices. No adjustment of the prior year financial statements was required.

The financial statements have been prepared on the historic cost basis.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, presentation of a cash-flow statement and related party transactions. Where required, equivalent disclosures are given in the Group financial statements of Tenet Group Limited. The Group financial statements of Tenet Group Limited are available to the public and can be obtained as set out in note 15.

As stated in the Directors' Report, after making enquiries the directors have a reasonable expectation that the company has adequate resources to continue trading successfully and fully comply with its regulatory requirements for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

##### **Turnover**

Turnover is measured at the fair value of the consideration received or receivable and represents management fees recharged to Group companies and amounts received from product providers to assist marketing in the Group, net of discounts, VAT and other sales related taxes. All revenue arises in the United Kingdom.

##### **Administrative expenses**

Administrative expenses are comprised of VAT recoverable less staff costs and other administrative expenses.

## **Tenet Business Solutions Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2016 (continued)**

#### **2 Accounting policies (continued)**

##### **Tax**

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 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.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, 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 at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

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

##### **Property, plant and equipment**

Property, plant and equipment is stated at cost net of depreciation. Depreciation is provided at rates calculated to write off the cost, less the estimated residual value of each asset over its estimated useful life, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Leasehold improvement	5 years - straight line
Fixtures and fittings	5 years - straight line
Computer equipment & software	3 - 7 years - straight line
Assets under construction are not depreciated until completed.	

##### **Investments**

Investments are included at cost less amounts written off for permanent impairment.

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

## **Tenet Business Solutions Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2016 (continued)**

#### **2 Accounting policies (continued)**

##### **Trade receivables**

Trade receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method where the effect is material. Appropriate allowances for estimated irrecoverable amounts are recognised in the income statement when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the effective interest rate computed at initial recognition where the effect is material.

##### **Trade payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

##### **The Company as lessee**

Assets held under finance leases are recognised as assets of the Company at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs (see below). Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

##### **Pension costs**

The company contributes to a defined contribution pension scheme administered by another Group company. The amount charged to the income statement relates to the contributions payable in the year. Differences arising between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

## **Tenet Business Solutions Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2016 (continued)**

#### **2 Accounting policies (continued)**

##### **Financial assets and liabilities**

###### ***Classification***

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 Company after deducting all of its liabilities.

###### ***Recognition and measurement***

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs and subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

#### **3 Principal Risks and Uncertainties**

The business is active in the sale of marketing, employment and IT support to other Group companies. The principal risk faced by the company is its reliance upon the performance of other Group companies. Another risk is the introduction of new and more stringent guidance from the FCA surrounding provider income. Group risks are discussed in the ultimate parent undertaking's annual report which does not form part of this report.

#### **4 Information Regarding Directors and Employees**

The company is responsible for the payment of the remuneration of all Tenet Group Limited employees, including the directors of each Group company, and receives recompense from other Group companies in respect of this service through management recharges which are allocated on a time incurred basis. Net of such recharges, the emoluments of the directors of the company were £nil (2015: £nil).

The amounts recharged to other Group companies in respect of directors are included in the accounts of each Group company and the total emoluments of all Group directors are included in the consolidated accounts of Tenet Group Limited.

Staff costs of £439,183 were incurred by the company (2015: £377,930).

There were no directors who were members of pension schemes in the year (2015: nil).

The highest paid director is a director of more than one company in the group, whose total emoluments as described above are distributed within the group.

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

	<b>2016</b>	<b>2015</b>
	<b>No.</b>	<b>No.</b>
Directors	<u>7</u>	<u>7</u>

# Tenet Business Solutions Limited

## Notes to the Financial Statements for the Year Ended 30 September 2016 (continued)

### 5 Other interest receivable and similar income

	2016	2015
	£	£
Bank interest received	786	588

### 6 Operating profit

Operating profit is arrived at after charging:

	2016	2015
	£	£
Depreciation expense	881,227	938,564
Impairment of investment	-	20
Operating lease expense - property	63,756	63,756
Operating lease expense - other	245,401	270,134
Staff costs	439,183	377,930

Audit fees of £4,000 (2015:£4,000) have been paid by another group company and are not recharged.

# Tenet Business Solutions Limited

## Notes to the Financial Statements for the Year Ended 30 September 2016 (continued)

### 7 Income tax

Tax charged/(credited) in the income statement

	2016 £	2015 £
<b>Current taxation</b>		
UK corporation tax	(226,512)	(137,827)

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2015 - the same as the standard rate of corporation tax in the UK) of 20% (2015 - 20.5%).

The differences are reconciled below:

	2016 £	2015 £
Profit before tax	1,490	50,709
Corporation tax at standard rate	298	10,395
(Decrease)/increase in current tax from adjustment for prior periods	(45,783)	75,152
Increase from effect of capital allowances depreciation	155,637	-
Decrease from effect of revenues exempt from taxation	(176,255)	(192,389)
Increase from effect of expenses not deductible in determining taxable profit/(tax loss)	157	1,540
Decrease from tax losses for which no deferred tax asset was recognised	-	(28,484)
Decrease from transfer pricing adjustments	-	(4,041)
Decrease in current tax from unrecognised tax loss or credit	(353,264)	-
Deferred tax expense/(credit) from unrecognised temporary difference from a prior period	(187,253)	-
Increase from changes in tax provisions due to legislation	17,116	-
Other tax effects for reconciliation between accounting profit and tax expense/(income)	362,835	-
Total tax credit	(226,512)	(137,827)

### Deferred tax

There are £182,930 of deductible temporary differences (2015 - £59,027) and £239,030 of unused tax losses (2015 - £68,340) for which no deferred tax asset is recognised in the statement of financial position.

# Tenet Business Solutions Limited

## Notes to the Financial Statements for the Year Ended 30 September 2016 (continued)

### 8 Property, plant and equipment

	Leasehold improvements £	Fixtures and fittings £	Assets under construction £	Computer equipment & software £	Total £
<b>Cost or valuation</b>					
At 1 October 2014	618,318	354,016	694,913	6,978,868	8,646,115
At 30 September 2015	618,318	354,016	694,913	6,978,868	8,646,115
At 1 October 2015	618,318	354,016	694,913	6,978,868	8,646,115
Additions	43,447	137,209	656,783	688,860	1,526,299
Transfers	-	-	(264,608)	-	(264,608)
At 30 September 2016	661,765	491,225	1,087,088	7,667,728	9,907,806
<b>Depreciation</b>					
At 1 October 2014	131,271	232,744	-	5,082,767	5,446,782
At 30 September 2015	131,271	232,744	-	5,082,767	5,446,782
At 1 October 2015	131,271	232,744	-	5,082,767	5,446,782
Charge for the year	79,614	102,386	-	699,227	881,227
At 30 September 2016	210,885	335,130	-	5,781,994	6,328,009
<b>Carrying amount</b>					
At 30 September 2016	450,880	156,095	1,087,088	1,885,734	3,579,797
At 30 September 2015	487,047	121,272	694,913	1,896,101	3,199,333
At 1 October 2014	487,047	121,272	694,913	1,896,101	3,199,333

## Tenet Business Solutions Limited

### Notes to the Financial Statements for the Year Ended 30 September 2016 (continued)

#### 9 Fixed Asset Investments

	£
<b>Cost</b>	
At 1 October 2015	41,175
At 30 September 2016	41,175
<b>Impairment</b>	
At 1 October 2015	41,175
At 30 September 2016	41,175
<b>Net Book Value</b>	
At 30 September 2016	-
At 30 September 2015	-

The company's fixed asset investment at the year end relates to Ayrshire Financial Services Limited, a company incorporated in England and Wales. The principal activity of Ayrshire Financial Services Limited is the provision of financial advice and the company has a 20% shareholding in it. The investment has not been accounted for under the equity method as the directors do not consider that they are associated companies as the company does not hold any influence over the operating and financial policies of the investee entity.

#### 10 Trade and other receivables

	2016 £	2015 £
Trade receivables	476,993	711,453
Receivables from related parties	2,418,695	959,055
Prepayments	978,084	1,105,962
Other receivables	331,625	353,167
	<u>4,205,397</u>	<u>3,129,637</u>

Included within the company's trade receivable balance are debtors with a carrying amount of £0 (2015: £92,117) which are past due at the reporting date for which the company has not provided as there has not been a significant change in credit quality and the directors believe that the amounts are still recoverable. The company does not hold any collateral over these balances. The carrying value of these receivables past-due by less than three months is £0 (2015: £51,689), whilst £14,713 (2015: £40,428) of the receivables are past-due by more than three months.

The directors consider that the carrying amount of trade and other receivables approximates their fair value.

The company reviews all trade receivables for recoverability, and provides against a proportion of the debt, which is judged irrecoverable. No trade or other receivables were deemed to be irrecoverable at the reporting date.

## Tenet Business Solutions Limited

### Notes to the Financial Statements for the Year Ended 30 September 2016 (continued)

#### 11 Trade and other payables

	2016	2015
	£	£
Trade payables	412,874	787,711
Accrued expenses	775,960	687,752
Amounts due to related parties	2,251,938	698,020
Other payables	446,530	462,398
	3,887,302	2,635,881

The directors consider that the carrying amount of trade and other payables approximates their fair value.

#### 12 Share capital

##### Allotted, called up and fully paid shares

	No.	2016 £	No.	2015 £
Ordinary Shares of £1 each	2,712,416	2,712,416	2,712,416	2,712,416

#### 13 Financial Commitments

##### Operating leases

At the balance sheet date, the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows::

	Land & buildings & other	Land & buildings & other
	2016 £	2015 £
Within one year	134,830	336,670
In the second to fifth years inclusive	349,152	346,179
After five years	100,947	255,024
	584,929	937,873

## **Tenet Business Solutions Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2016 (continued)**

#### **14 Related party transactions**

##### **Summary of transactions with parent entities**

As a wholly owned subsidiary, the company has taken advantage of the exemption in FRS 101 "Related Party Transactions" from disclosing related party transactions with other entities included in the consolidated financial statements of Tenet Group Limited.

#### **15 Parent and ultimate parent undertaking**

The company is a wholly owned subsidiary of Tenet Group Limited, a company incorporated in England and Wales. The directors consider that Tenet Group Limited is the company's ultimate parent undertaking and is the controlling party.

Tenet Group Limited is the smallest and largest group in which the results of the company are consolidated. Copies of the accounts of Tenet Group Limited are available from 5 Lister Hill, Horsforth, Leeds, LS18 5AZ.