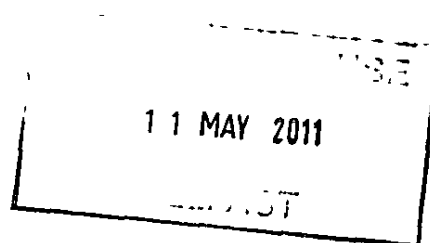


Happen Fostercare Limited

Abbreviated accounts

For the year ended 31 August 2010



Independent Auditors' report to Happen Fostercare Limited
Under section 449 of the Companies Act 2006

We have examined the company's abbreviated accounts which comprise the Balance Sheet and the related notes 1 to 4, together with the financial statements of Happen Fostercare Limited for the year ended 31 August 2010 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with Section 449 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company 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 as a body, for our audit work, for this report, or for the opinions we have formed

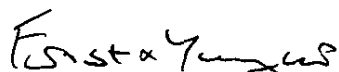
Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulation made under that section.



David Graham Galbraith (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditors
Belfast

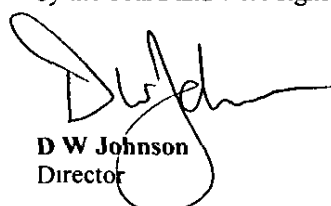
Date 23 March 2011

Abbreviated Balance Sheet

As at 31 August 2010

	Note	£	2010 £	£	2009 £
Fixed assets					
Tangible fixed assets	2		2,775		5,122
Current assets					
Debtors		625,868		516,485	
Cash at bank and in hand		<u>74,425</u>		<u>37,060</u>	
		700,293		553,545	
Creditors: amounts falling due within one year		<u>(484,786)</u>		<u>(415,369)</u>	
Net current assets			<u>215,507</u>		<u>138,176</u>
Total assets less current liabilities			218,282		143,298
Provisions for liabilities					
Deferred tax			<u>-</u>		<u>(136)</u>
Net assets			<u>218,282</u>		<u>143,162</u>
Capital and Reserves					
Called up share capital	3		2		2
Profit and loss account			<u>218,280</u>		<u>143,160</u>
Shareholders' funds			<u>218,282</u>		<u>143,162</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 were approved and authorised for issue by the board and were signed on its behalf on 23 March 2011


D W Johnson
 Director

The notes on pages 3 to 4 form part of these financial statements

Notes to the abbreviated accounts

For the year ended 31 August 2010

1. Accounting Policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold property	-	2%	straight line
Fixtures & fittings	-	25%	straight line
Computer equipment	-	33%	straight line

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and Loss Account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.6 Pensions

Contributions to defined contribution schemes are recognized in the profit and loss account in the period in which they become payable.

Notes to the abbreviated accounts
For the year ended 31 August 2010

2. Tangible fixed assets

	£
Cost	
At 1 September 2009	31,195
Additions	481
	<u>31,676</u>
At 31 August 2010	<u>31,676</u>
Depreciation	
At 1 September 2009	26,073
Charge for the year	2,828
	<u>28,901</u>
At 31 August 2010	<u>28,901</u>
Net book value	
At 31 August 2010	<u><u>2,775</u></u>
At 1 September 2009	<u><u>5,122</u></u>

3 Share capital

	2010 £	2009 £
Allotted, called up and fully paid		
2- Ordinary Shares of £1 each	<u><u>2</u></u>	<u><u>2</u></u>

4. Ultimate parent undertaking and controlling party

The immediate parent company is Acorn Care & Education Limited, a company incorporated in England and Wales

The ultimate parent company is Acorn Care 1 Limited, a company incorporated in England and Wales

However by virtue of its shareholdings in Acorn Care 1 Limited, the ultimate controlling party is Ontario Teachers Pension Plan Board

Copies of the financial statements of Acorn Care 1 Limited are available from the company's registered office, 1 Merchant's Place, River Street, Bolton, BL2 1BX