

CHILVERS & MCCREA LIMITED

**ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2011**

TUESDAY



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COMPANIES HOUSE

CHILVERS & MCCREA LIMITED

COMPANY INFORMATION

DIRECTORS

D Raven (appointed 19 November 2010 & resigned 14 October 2011)
P Watts (appointed 19 November 2010 & resigned 21 December 2011)
N Hendrie (appointed 19 November 2010 & resigned 12 August 2011)
S Davies (appointed 19 November 2010)
J Rose (appointed 19 November 2010)
S Chilvers (resigned 19 November 2010)
A Jackson (resigned 26 August 2010)
R McCrea (resigned 19 November 2010)
T Hopkins (appointed 22 November 2011)
A Johnson (appointed 13 December 2011)

COMPANY SECRETARY

S Humphrey

COMPANY NUMBER

04149500

REGISTERED OFFICE

Anglo House
Bell Lane Office Village
Bell Lane
Amersham
Buckinghamshire
HP6 6FA

AUDITORS

Nexia Smith & Williamson
Statutory Auditors & Registered Accountants
1 Bishops Wharf
Walnut Tree Close
Guildford
Surrey
GU1 4RA

CHILVERS & MCCREA LIMITED

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CHILVERS & MCCREA LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2011

The directors present their report and the financial statements for the year ended 31 March 2011

DIRECTORS' RESPONSIBILITIES STATEMENT

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 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 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 then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- 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.

PRINCIPAL ACTIVITIES

The principal activity of the company throughout the year was that of primary healthcare provider and associated clinical services.

BUSINESS REVIEW

At the end of the year the company operated 24 (2010: 29) medical centres and 1 (2010: 2) walk-in centre. The planned reduction in surgeries and walk-in centres has had the effect of reducing turnover and gross profit. Despite a reduction in overheads, the result for the year was a loss before tax of £86,161 compared to a profit in 2010 of £37,666.

Every week and on a monthly basis, KPI data is produced and the directors and senior management use this information to manage the business and make key decisions. The primary performance indicators are

- At surgery level: contribution
- At company level: operating profit

RESULTS

The loss for the year, after taxation, amounted to £86,161 (2010: profit £37,666).

CHILVERS & MCCREA LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2011

DIRECTORS

The directors who served during the year were

D Raven (appointed 19 November 2010 & resigned 14 October 2011)
P Watts (appointed 19 November 2010 & resigned 21 December 2011)
N Hendrie (appointed 19 November 2010 & resigned 12 August 2011)
S Davies (appointed 19 November 2010)
J Rose (appointed 19 November 2010)
S Chilvers (resigned 19 November 2010)
A Jackson (resigned 26 August 2010)
R McCrea (resigned 19 November 2010)
T Hopkins (appointed 22 November 2011)
A Johnson (appointed 13 December 2011)

PRINCIPAL RISKS AND UNCERTAINTIES

Liquidity risk

The company has net current liabilities and the directors constantly monitor cash flow to ensure that sufficient funds are available for operations

Price risk

The company is exposed to price risk due to normal inflationary increases in wages and other costs related to the running of its business. However, these costs have been relatively stable and this is expected to continue

EMPLOYEE INVOLVEMENT

The company's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all the employees of the financial and economic factors affecting the company's performance

DISABLED EMPLOYEES

The company's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses are given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

Qualifying third party indemnity provision for the benefit of the directors was in force during the financial period

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

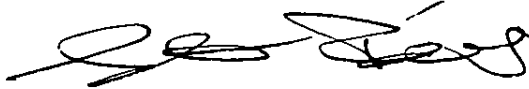
CHILVERS & MCCREA LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2011**

AUDITORS

Under section 487(2) of the Companies Act 2006, Nexia Smith & Williamson will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

This report was approved by the board on 30 January 2012 and signed on its behalf

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

S Davies
Director

CHILVERS & MCCREA LIMITED

**INDEPENDENT AUDITORS' REPORT TO CHILVERS & MCCREA LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts, which comprise the abbreviated Profit and loss account, the Balance sheet and the related notes, together with the financial statements of Chilvers & Mccrea Limited for the year ended 31 March 2011 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 work has been undertaken so that we might state to the company those matters we are required to state to it in a special Auditors' 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, for our 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 445 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 ON FINANCIAL STATEMENTS

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts which comprise the abbreviated Profit and loss account, the Balance sheet and the related notes have been properly prepared in accordance with the regulations made under that section.

Nexia Smith & Williamson

Jeffrey Selden (Senior statutory auditor)

for and on behalf of

Nexia Smith & Williamson

Statutory Auditors & Registered Accountants

1 Bishops Wharf
Walnut Tree Close
Guildford
Surrey
GU1 4RA

Date *31 January 2012*

CHILVERS & MCCREA LIMITED

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2011**

	Note	2011 £	2010 £
TURNOVER	1	10,708,246	14,340,412
GROSS PROFIT		2,108,958	2,715,105
Administrative expenses		(2,099,814)	(2,665,256)
OPERATING PROFIT	2	9,144	49,849
Interest receivable and similar income		248	386
Interest payable and similar charges	5	(95,553)	(12,569)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(86,161)	37,666
Tax on (loss)/profit on ordinary activities	6	-	-
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	12	(86,161)	37,666

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the Profit and loss account

The notes on pages 7 to 13 form part of these financial statements

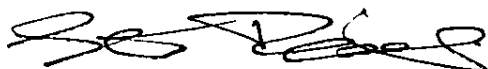
CHILVERS & MCCREA LIMITED
REGISTERED NUMBER. 04149500

ABBREVIATED BALANCE SHEET
AS AT 31 MARCH 2011

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Tangible assets	7		124,507		217,100
CURRENT ASSETS					
Stocks	8	28,425		27,312	
Debtors	9	630,073		670,310	
Cash at bank and in hand		182,729		448,118	
		<u>841,227</u>		<u>1,145,740</u>	
CREDITORS amounts falling due within one year	10	(2,153,037)		(2,463,982)	
NET CURRENT LIABILITIES			<u>(1,311,810)</u>		<u>(1,318,242)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(1,187,303)</u>		<u>(1,101,142)</u>
CAPITAL AND RESERVES					
Called up share capital	11		200		200
Profit and loss account	12		(1,187,503)		(1,101,342)
SHAREHOLDERS' DEFICIT	13		<u>(1,187,303)</u>		<u>(1,101,142)</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 relating to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf on

30 January 2012



S Davies
Director

The notes on pages 7 to 13 form part of these financial statements

CHILVERS & MCCREA LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

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 applicable accounting standards

1.2 Turnover

Turnover represents the value of services provided net of value added tax for consultancy work and income from NHS Primary Care Trusts for the running of GP services. The income relating to the management of surgeries is recognised on an accruals basis

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

Motor vehicles	-	5 years straight line
Office equipment	-	3 years 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 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks

CHILVERS & MCCREA LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2011

1. ACCOUNTING POLICIES (continued)

1.7 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

1.8 Pensions

The company contributes to the NHS pension scheme, a defined benefits scheme. However, the company's liability to the scheme is limited to defined contribution. Contributions are charged to the profit and loss account as they become payable.

2. OPERATING PROFIT

The operating profit is stated after charging

	2011 £	2010 £
Depreciation of tangible fixed assets		
- owned by the company	69,704	88,850
- held under finance leases	-	36,029
Auditors' remuneration	11,750	13,000
Operating lease rentals		
- rent of buildings	366,777	527,611

CHILVERS & MCCREA LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2011**

3. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2011 £	2010 £
Wages and salaries	5,691,103	7,569,067
Social security costs	450,386	634,596
Other pension costs	595,173	894,741
	<u>6,736,662</u>	<u>9,098,404</u>

The average monthly number of employees, including the directors, during the year was as follows

	2011 No.	2010 No
Clinical and administrative	<u>252</u>	<u>343</u>

4. DIRECTORS' REMUNERATION

	2011 £	2010 £
Emoluments	<u>144,445</u>	<u>73,985</u>
Company pension contributions to defined contribution pension schemes	<u>1,633</u>	<u>68,459</u>

During the year retirement benefits were accruing to 2 directors (2010 - 2) in respect of defined contribution pension schemes

5. INTEREST PAYABLE

	2011 £	2010 £
On bank loans and overdrafts	-	5,218
On finance leases and hire purchase contracts	2,653	7,351
On loans from group undertakings	92,900	-
	<u>95,553</u>	<u>12,569</u>

CHILVERS & MCCREA LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

6. TAXATION

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2010 - lower than) the standard rate of corporation tax in the UK of 21% (2010 - 21%) The differences are explained below

	2011 £	2010 £
(Loss)/profit on ordinary activities before tax	(86,161)	37,666
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2010 - 21%)	(18,094)	7,910
Effects of		
Depreciation in excess of capital allowances	-	15,001
Expenses not deductible for tax purposes	15,768	735
Capital allowances for year in excess of depreciation	(22,376)	-
Utilisation of tax losses	-	(112,357)
Adjustments for pension provision	(13,145)	88,711
Tax losses carried forward	37,847	-
Current tax charge for the year (see note above)	-	-

Factors that may affect future tax charges

The company has estimated losses of £448,000 (2010 £244,000) available to carry forward against future trading profits

7 TANGIBLE FIXED ASSETS

	Motor vehicles £	Office equipment £	Total £
Cost			
At 1 April 2010	182,023	388,193	570,216
Additions	-	82,531	82,531
Disposals	(182,023)	(141,975)	(323,998)
At 31 March 2011	-	328,749	328,749
Depreciation			
At 1 April 2010	91,831	261,285	353,116
Charge for the year	-	69,704	69,704
On disposals	(91,831)	(126,747)	(218,578)
At 31 March 2011	-	204,242	204,242
Net book value			
At 31 March 2011	-	124,507	124,507
At 31 March 2010	90,192	126,908	217,100

CHILVERS & MCCREA LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2011**

7. TANGIBLE FIXED ASSETS (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

	2011 £	2010 £
Motor vehicles	-	90,192

8. STOCKS

	2011 £	2010 £
Finished goods and goods for resale	28,425	27,312

9 DEBTORS

	2011 £	2010 £
Trade debtors	4,281	7,395
Amounts owed by group undertakings	152,032	-
Other debtors	3,443	7,082
Prepayments and accrued income	470,317	655,833
	<u>630,073</u>	<u>670,310</u>

10. CREDITORS.

Amounts falling due within one year

	2011 £	2010 £
Net obligations under finance leases and hire purchase contracts	-	33,481
Trade creditors	766,935	545,549
Amounts owed to group undertakings	272,300	-
Social security and other taxes	117,919	571,581
Other creditors	357,707	593,411
Accruals and deferred income	638,176	719,960
	<u>2,153,037</u>	<u>2,463,982</u>

Bank loans and overdrafts are secured by a fixed and floating charge over the assets of the company

CHILVERS & MCCREA LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2011**

11. SHARE CAPITAL

	2011 £	2010 £
Allotted, called up and fully paid		
100 A Ordinary shares of £1 each	100	100
100 B Ordinary shares of £1 each	100	100
	<u>200</u>	<u>200</u>

12. RESERVES

	Profit and loss account £
At 1 April 2010	(1,101,342)
Loss for the year	(86,161)
	<u>(1,187,503)</u>
At 31 March 2011	<u>(1,187,503)</u>

13 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	2011 £	2010 £
Opening shareholders' deficit	(1,101,142)	(1,138,808)
(Loss)/profit for the year	(86,161)	37,666
	<u>(1,187,303)</u>	<u>(1,101,142)</u>

14. PENSION COMMITMENTS

Under the defined contribution pension scheme operated contributions were made in the year totalling £595,173 (2010 £894,741) The amount outstanding at the year end was £346,933 (2010 £584,670)

15 OPERATING LEASE COMMITMENTS

At 31 March 2011 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2011 £	2010 £	2011 £	2010 £
Expiry date:				
Within 1 year	-	14,088	-	21,976
Between 2 and 5 years	242,904	207,804	-	5,995
After more than 5 years	148,596	175,196	-	-
	<u>242,904</u>	<u>207,804</u>	<u>-</u>	<u>-</u>

CHILVERS & MCCREA LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2011**

16. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate controlling parties until November 2010 was S Chilvers and R McCrea

From November 2010 there was no ultimate controlling party, however, the company's financial statements are consolidated into The Practice Plc, a company incorporated in Great Britain. The company is consolidated on the basis that it is controlled by The Practice Plc, although The Practice Plc holds no shares or has no voting rights in the company.

The consolidated accounts of The Practice Plc can be obtained from its registered office: Anglo House, Bell Lane Office Village, Bell Lane, Amersham, Buckinghamshire, HP6 6FA.