

Cambridge Careforce Limited
Financial statements
For the year ended 31 December 2009

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Company No. 4189239

Company information

Company registration number	4189239
Registered office	Saffron Ground Ditchmore Lane Stevenage SG1 3LJ
Directors	J P Coleman A M Long B R Westran
Secretary	J P Coleman
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

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Report of the Directors

The Directors present their report and the financial statements of the Company for the year ended 31 December 2009

Principal activities

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

Results and dividends

The profit for the year, after taxation, amounted to £16,605 (2008 - £218,273)

The Directors have recommended a dividend of £100,000 (2008 - £300,000) Particulars of dividends paid and proposed are detailed in note 6 to the financial statements

Directors

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

J P Coleman
A M Long
B R Westran appointed 1 March 2009

Directors' responsibilities

The Directors are responsible for preparing 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 financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of its profit or loss for that period

In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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 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

Report of the Directors - continued

Directors' responsibilities - continued

In so far as the Directors are aware

- there is no relevant audit information of which the Company's auditors 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 auditors 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.

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.

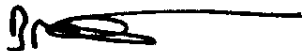
Small Company provisions

The Report of the Directors 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 31 March 2010 and signed on its behalf



B R Westran
Director

Report of the independent auditor to the member of Cambridge Careforce Limited

We have audited the financial statements of Cambridge Careforce Limited for the year ended 31 December 2009 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 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/UKNP.

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 2009 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 matters prescribed by the Companies Act 2006

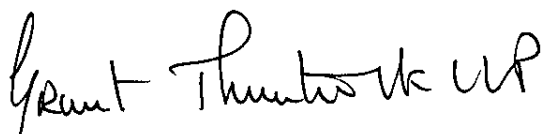
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the independent auditor to the member of Cambridge Careforce Limited - 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



Geraint Davies

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

31 March 2010

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.

Goodwill

Purchased goodwill, representing the excess of the fair value of the consideration given over the fair values of the identifiable net assets acquired, is capitalised and is amortised on a straight line basis over its estimated useful economic life. The period of amortisation is assessed on an acquisition by acquisition basis and is set based on the expected period that the assets acquired will contribute to the Company's results. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable. The rate applicable to goodwill currently included in the balance sheet is 5% per annum.

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.

Principal accounting policies - continued

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

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	2009 £	2008 £
Turnover	1	2,775,807	3,625,460
Cost of sales		(2,089,697)	(2,650,972)
Gross Profit		686,110	974,488
Administrative expenses		(667,537)	(746,235)
Profit on Ordinary Activities before Taxation	2	18,573	228,253
Tax on profit on ordinary activities	5	(1,968)	(9,980)
Profit for the Financial Year	16	16,605	218,273

All of the activities of the Company are classed as continuing

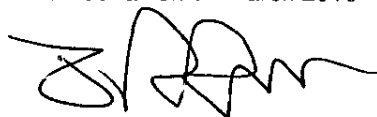
The Company has no recognised gains or losses other than the results for the year as set out above

The accompanying accounting policies and notes form part of these financial statements.

Balance sheet

	Note	2009 £	£	2008 £	£
Fixed assets					
Intangible assets	7	398,419		432,263	
Tangible assets	8	53,529		54,527	
		<u>451,948</u>		<u>486,790</u>	
Current assets					
Debtors	9	173,632		115,351	
Cash at bank and in hand		2,363		10,696	
		<u>175,995</u>		<u>126,047</u>	
Creditors amounts falling due within one year	10	(315,207)		(119,264)	
Net current (liabilities) / assets		<u>(139,212)</u>		<u>6,783</u>	
Total assets less current liabilities		<u>312,736</u>		<u>493,573</u>	
Creditors amounts falling due after one year	11	(186,698)		(284,140)	
		<u>126,038</u>		<u>209,433</u>	
Capital and reserves					
Share capital	15	1		1	
Profit and loss account	16	126,037		209,432	
Shareholders' funds	17	<u>126,038</u>		<u>209,433</u>	

The financial statements were approved and authorised for issue by the Directors and are signed on their behalf on 31 March 2010



J P Coleman
 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 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging

	2009 £	2008 £
Amortisation	33,844	33,844
Depreciation of tangible fixed assets owned by the Company	8,101	7,787
Operating lease rentals		
- land and buildings	30,757	25,702
- plant and equipment	13,133	18,392
- vehicles	–	3,994

3 Auditor's remuneration

Fees payable to the auditors for the period

	2009 £	2008 £
For the audit of the Company's financial statements	4,000	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

	2009 No.	2008 No.
Administrative staff	80	207
Carers	6	15
	86	222

The aggregate payroll costs of the above were

	£	£
Wages and salaries	2,074,666	2,667,796
Social security costs	157,006	221,802
	2,231,672	2,889,598

The Directors were remunerated through a sister company

Notes to the financial statements

5 Taxation on ordinary activities

	2009 £	2009 £
Analysis of charge in the year		
Current tax (see note below):		
UK Corporation tax based on the results for the year	1,968	1,886
Adjustment in respect of prior periods	–	8,094
	<hr/>	<hr/>
Tax on profit on ordinary activities	1,968	9,980
	<hr/>	<hr/>

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% (2008 - 28.5%)

	2009 £	2008 £
Profit on ordinary activities before taxation	18,573	228,253
	<hr/>	<hr/>
Profit on ordinary activities multiplied by standard rate of tax	5,200	65,052
Effects of		
Adjustment in respect of prior periods	–	8,094
Expenses not deductible for tax purposes	9,645	9,931
Depreciation for period in excess of capital allowances	(645)	(1,581)
Tax rate differences	(656)	(705)
Group relief utilised	(11,576)	(70,811)
	<hr/>	<hr/>
Total current tax charge for the year	1,968	9,980
	<hr/>	<hr/>

6 Dividends on ordinary shares classed as equity

	2009 £	2008 £
Declared at the year end		
Equity dividends of £100,000 per share (2008 - £300,000 per share)	100,000	300,000
	<hr/>	<hr/>

Notes to the financial statements

7 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2009 and 31 December 2009	676,876
Amortisation	
At 1 January 2009	244,613
Charge for the year	33,844
At 31 December 2009	278,457
Net book value	
At 31 December 2009	398,419
At 31 December 2008	432,263

8 Tangible fixed assets

	Leasehold property improvements £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 January 2009	5,716	86,750	92,466
Additions	1,350	5,753	7,103
At 31 December 2009	7,066	92,503	99,569
Depreciation			
At 1 January 2009	95	37,844	37,939
Charge for the year	650	7,451	8,101
At 31 December 2009	745	45,295	46,040
Net book value			
At 31 December 2009	6,321	47,208	53,529
At 31 December 2008	5,621	48,906	54,527

Notes to the financial statements

9 Debtors

	2009 £	2008 £
Trade debtors	25,630	79,791
Other debtors	5,575	5,375
Prepayments and accrued income	142,427	30,185
	<u>173,632</u>	<u>115,351</u>

10 Creditors: amounts falling due within one year

	2009 £	2008 £
Bank overdrafts	–	11,344
Corporation tax	1,969	1,886
Other taxation and social security	22,597	49,073
Other creditors	251,969	46
Accruals and deferred income	38,672	56,915
	<u>315,207</u>	<u>119,264</u>

11 Creditors amounts falling due after more than one year

	2009 £	2008 £
Amounts owed to group undertakings	<u>186,698</u>	<u>284,140</u>

12 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.

Notes to the financial statements

13 Leasing commitments

At 31 December 2009 the Company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings	
	2009	2008
	£	£
Operating leases which expire		
Within 1 year	-	-
Within 2 to 5 years	32,000	-
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14 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

15 Share capital

Authorised

	2009	2008
	£	£
1,000 ordinary shares of £1 each	1,000	1,000
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Allotted, called up and fully paid share capital

1 ordinary share of £1 each	1	1
	<hr/>	<hr/>

16 Reserves

	Profit and loss account £
At 1 January 2009	209,432
Profit for the year	16,605
Equity dividends	(100,000)
At 31 December 2009	126,037

Notes to the financial statements

17 Reconciliation of movements in shareholders' funds

	2009 £	2008 £
Profit for the financial year	16,605	218,273
Equity dividends declared	(100,000)	(300,000)
	(83,395)	(81,727)
Opening shareholders' funds	209,433	291,160
Closing shareholders' funds	126,038	209,433

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