

**Swanton Care & Community (Autism North)
Limited**

Annual report and financial statements

Registered number 4536431

31 December 2013

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Company information

Directors

David Duncan
Paul Hayes

Secretary

Joanne Richardson

Auditors

KPMG LLP
100 Temple Street
Bristol
BS1 6AG

Bankers

The Royal Bank of Scotland plc
London Corporate Services
2 1/2 Devonshire Square
London
EC2M 4XJ

Solicitors

Berwin Leighton Paisner
Adelaide House
London Bridge
London
EC4R 9HA

Registered office

Suite 201
Design Centre East
Chelsea Harbour
London
SW10 0XF

Registered number

4536431

Strategic report

The directors present their strategic report, directors' report and the audited financial statements of the company for the year ended 31 December 2013.

Principal activities

The principal activity of the company in the year under review was that of providing residential and other services for people within the autism spectrum of learning disabilities.

Business review

The directors are satisfied with the result for the period and are confident of continued profitability.

Details of the result for the period are set out in the profit and loss account on page 7.

Future Prospects

The directors expect the general level of activity in the healthcare sector, and hence the demand of the Company's services to increase.

By order of the board



Joanne Richardson
Company Secretary

Suite 201
Design Centre East
Chelsea Harbour
London
SW10 0XF

18 June 2014

Directors' report

Dividends

The directors recommend that no dividend be paid (2012: £nil).

Directors

The directors who held office during the period were (the directors holding office at they year end are shown on page 1):

David Duncan
Paul Hayes

Employees

The directors recognise the importance of human resources. Practices to provide good communications and relations with employees include providing employees with information on matters of concern to them as employees.

It is company policy to give fair consideration to the employment needs of disabled people and to comply with current legislation with regard to their employment. Wherever practicable, we continue to employ and promote the careers of existing employees who become disabled and to consider disabled persons for employment, subsequent training, career development and promotion on the basis of their aptitudes and abilities.

Political contributions

The company did not make any political donations or incur political expenditure during the year (2012: £nil).

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board

J. Richardson

Joanne Richardson
Company Secretary

Suite 201
Design Centre East
Chelsea Harbour
London
SW10 0XF

18 June 2014

Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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;
- state whether applicable UK Accounting Standards have 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP
100 Temple Street
Bristol
BS1 6AG
United Kingdom

Independent auditor's report to the members of Swanton Care & Community (Autism North) Limited

We have audited the financial statements of Swanton Care & Community (Autism North) Limited for the year ended 31 December 2013 set out on pages 7 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 Directors' Responsibilities Statement set out on page 4, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

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 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with UK 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' Reports for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Swanton Care & Community (Autism North) 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.



Nicholas Hall (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
100 Temple Street
Bristol
BS1 6AG

26 June 2014

Profit and loss account
for the year ended 31 December 2013

	<i>Note</i>	2013 £000	2012 £000
Turnover	<i>1</i>	8,836	8,878
Cost of sales		(6,710)	(6,674)
Gross profit		2,126	2,204
Operating profit	<i>2</i>	2,126	2,204
Interest payable and similar charges		(27)	(21)
Profit on disposal of fixed assets	<i>2</i>	4	-
Profit on ordinary activities before taxation		2,103	2,183
Tax on profit on ordinary activities	<i>5</i>	(14)	(410)
Profit for the financial year		2,089	1,773

There were no recognised gains or losses in either the current or preceding financial year other than those shown above.

There were no acquisitions or discontinued activities in either year.

Reconciliation of movements in equity shareholder's funds
for the year ended 31 December 2013

	2013 £000	2012 £000
Opening shareholder's funds	9,394	7,621
Profit for the financial year	2,089	1,773
Closing shareholder's funds	11,483	9,394

Balance Sheet
as at 31 December 2013

	<i>Note</i>	2013 £000	2012 £000
Fixed assets			
Tangible assets	6	608	561
Current assets			
Debtors	7	17,218	14,212
Cash at bank and in hand		411	325
		<u>17,629</u>	<u>14,537</u>
Creditors: amounts falling due within one year	8	(6,748)	(5,704)
Net current assets		10,881	8,833
Total assets less current liabilities		11,489	9,394
Provisions for liabilities	9	(6)	-
Net assets		11,483	9,394
Capital and reserves			
Called up share capital	10	-	-
Profit and loss account	11	11,483	9,394
Shareholder's funds		11,483	9,394

The notes on pages 9 to 14 form part of these financial statements.

These financial statements were approved by the board of directors on 18 June 2014 and were signed on its behalf by:



David Duncan
 Director

Company registered number: 4536431

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The company is exempt from the requirement of FRS 1 (revised 1996) to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Swanton Holdings (Jersey) Limited and its cash flows are included within the consolidated cash flow statement of that company.

As the company is a wholly owned subsidiary of Swanton Holdings (Jersey) Limited the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Swanton Holdings (Jersey) Limited, within which this company is included, can be obtained from the address given in note 14.

Going concern

The company has adequate financial resources together with long term support from Group. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Group companies have confirmed that amounts owed to group undertakings will not be demanded within the year.

Tangible fixed assets and depreciation

Depreciation is provided to write off the cost of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Plant & Equipment - 4 - 10 years

No depreciation is charged on freehold land or assets in the course of construction

Turnover

Turnover relates to income receivable from residents of the company's residential and nursing homes, providing care services for people with complex needs and arises entirely in the United Kingdom.

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Notes (continued)

1 Accounting policies continued

Retirement benefits

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

2 Operating profit

Operating profit is stated after charging:

	2013 £000	2012 £000
Depreciation -owned assets	89	94
Rents payable under operating leases	3	-
	<u>92</u>	<u>94</u>

The remuneration of the auditor in respect of services provided to the company in the current financial year was borne by another group company. An estimate of the fee in relation to the company is £5,000 (2012: £5,000).

3 Staff number and costs

The average monthly number of employees (excluding directors) during the period was as follows:

	2013 No	2012 No
Care staff	230	237
Office staff	12	12
	<u>242</u>	<u>249</u>

The aggregate payroll costs of these persons were as follows:

	2013 £000	2012 £000
Wages and salaries	4,064	4,063
Social security costs	292	300
Pension costs	53	35
	<u>4,409</u>	<u>4,398</u>

Notes (continued)

4 Directors remuneration

The directors received no emoluments for services to the company during the year (2012: £nil). The directors received remuneration for services to Glenpath Holdings Limited, of which Swanton Care, & Community (Autism North) Limited is a subsidiary undertaking, from Grove Limited which is a related undertaking. However the proportion attributable for their services to Swanton Care & Community (Autism North) Limited is not separately identifiable.

5 Taxation

Analysis of charge in year

	2013 £000	2012 £000
UK corporation tax		
Current tax on income for the year	-	-
Adjustments in respect of prior year	-	422
	-	422
Deferred tax (see note 9)		
Origination/reversal of timing differences	2	(11)
Adjustments in respect of prior year	12	(2)
Effects of change in corporation tax rate	-	1
	14	410
Tax on profit on ordinary activities	14	410

Factors affecting the tax charge for the current year

The current tax charge for the year is lower (2012: lower) than the standard rate of corporation tax in the UK of 23.25% (2012: 24.5%). The differences are explained below.

	2013 £000	2012 £000
Current tax reconciliation		
Profit on ordinary activities before tax	2,103	2,183
Current tax at 23.25% (2012: 24.5%)	489	535
Effects of:		
Adjustment in respect of prior period	-	422
Group relief	(774)	(804)
Expenses not deductible for tax purposes	19	-
Capital allowances for the period in excess of depreciation	(11)	10
Transfer pricing	277	259
Total current tax charge (see above)	-	422

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 December 2013 has been calculated based on the rates of 20% and 21% substantively enacted at the balance sheet date.

Notes (continued)

6 Tangible fixed assets

	Plant and equipment £000	Total £000
Cost		
At 1 January 2013	942	942
Additions	141	141
Disposals	(50)	(50)
At 31 December 2013	1,033	1,033
Depreciation		
At 1 January 2013	381	381
Charge for the period	89	89
On disposal	(45)	(45)
At 31 December 2013	425	425
Net book value		
At 31 December 2013	608	608
At 31 December 2012	561	561

7 Debtors

	2013 £000	2012 £000
Trade debtors	296	472
Amounts owed by group undertakings	16,896	13,717
Other debtors	7	2
Corporation tax	-	-
Prepayments and accrued income	19	13
Deferred tax asset	-	8
	17,218	14,212

Amounts due from group undertakings stated above are legally due on demand and are thus recoverable within one year. It is not expected that the demand would be made or that these amounts will be received within the next year.

Notes (continued)

8 Creditors: amounts falling due within one year

	2013 £000	2012 £000
Trade creditors	33	25
Amounts owed to group undertakings	-	3,953
Amounts owed to related undertakings	5,031	-
Group relief payable	954	954
Social security and other taxes	75	62
Other creditors	5	-
Accruals and deferred income	650	710
	<u>6,748</u>	<u>5,704</u>

The amounts due to group undertakings are legally due on demand and are thus due within one year, although it is not expected that these amounts would be demanded within the next year.

9 Provisions for liabilities

	Deferred taxation £000
At 1 January 2013	(8)
Charge to the profit and loss account	14
At 31 December 2013	<u>6</u>

Deferred tax is provided in full and relates entirely to accelerated capital allowances.

10 Called up shared capital

	2013 £	2012 £
<i>Authorised, allotted, issued and fully paid:</i>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Notes (continued)

11 Reserves

	Profit and loss account £000
At 1 January 2013	9,394
Profit for the financial year	2,089
At 31 December 2013	<u>11,483</u>

12 Operating less commitments

	2013 £000	2012 £000
<i>Operating leases which expire:</i>		
Within one year	3	3
Within two to five years	-	-
	<u>3</u>	<u>3</u>

13 Pension commitments

The company operates a defined contribution pension scheme. Total pension costs for the year were £53,000 (2012: £35,000) with £4,600 (2012: £1,600) outstanding at the year end.

14 Ultimate parent company and parent undertaking of larger group of which the company is a member

The immediate parent undertaking is Glenpath Holdings Limited.

The company is a wholly owned subsidiary undertaking of Swanton Care & Community Limited, a company incorporated in Great Britain and registered in England and Wales.

The company's ultimate parent undertaking is Swanton Holdings (Jersey) Limited, a company incorporated and registered in Jersey.

The smallest group in which the results of the company are consolidated is that headed by Swanton Care & Community Limited. The largest group in which the results of the company are consolidated is that headed by Swanton Holdings (Jersey) Limited. The consolidated accounts of Swanton Holdings (Jersey) Limited are available to the public and may be obtained from www.jerseyfsc.org.