

Financial Statements

Networking Care Partnerships (South West) Limited

For the period ended 31 March 2012



Registered number: 05064697

Networking Care Partnerships (South West) Limited

Company Information

Directors	J B Douglas J D Fahy B Scandrett K L Young
Company secretary	M H Secretaries Limited
Company number	05064697
Registered office	1 Emperor Way Exeter Business Park Exeter EX1 3QS
Auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Colmore Plaza 20 Colmore Circus Birmingham West Midlands B4 6AT

Networking Care Partnerships (South West) Limited

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Directors' report

For the period ended 31 March 2012

The directors present their report and the financial statements for the period ended 31 March 2012

Principal activities

The principal activity of the company during the current and prior year was the operation of care homes

Directors

The directors who served during the period were

J B Douglas
B Scandrett (appointed 30 September 2011)
D Burton (resigned 31 May 2012)

J D Fahy and K L Young were appointed as a directors subsequent to the year end on 13 April 2012 and 18 October 2012 respectively

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.

Provision of information to auditor

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 auditor is 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 auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Networking Care Partnerships (South West) Limited

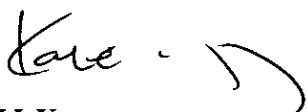
Directors' report

For the period ended 31 March 2012

Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 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 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'K L Young', followed by a large, stylized flourish or checkmark.

K L Young
Director

Date 21 December 2012

Independent auditor's report to the members of Networking Care Partnerships (South West) Limited

We have audited the financial statements of Networking Care Partnerships (South West) Limited for the period ended 31 March 2012, 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 the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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, 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 (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 Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

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 March 2012 and of its loss for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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 directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.



Independent auditor's report to the members of Networking Care Partnerships (South West) Limited

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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report

Grant Thornton UK LLP

Rebecca Eagle (senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
Birmingham

21 December 2012

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We have audited the financial statements of Networking Care Partnerships (South West) Limited for the period ended 31 March 2012, 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 the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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, 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 (APB's) Ethical Standards for Auditors.

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Opinion on other matter prescribed by the Companies Act 2006

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Networking Care Partnerships (South West) Limited

Profit and loss account

For the period ended 31 March 2012

	Note	6 months ended 31 March 2012 £000	Year ended 30 September 2011 £000
Turnover		718	1,513
Cost of sales		<u>(578)</u>	<u>(1,236)</u>
Gross profit		140	277
Administrative expenses		(330)	(402)
Amounts owed to group undertakings written off	13	<u>-</u>	<u>2,555</u>
(Loss)/profit on ordinary activities before taxation		(190)	2,430
Tax on (loss)/profit on ordinary activities	3	<u>(7)</u>	<u>(75)</u>
(Loss)/profit for the financial period	9	<u>(197)</u>	<u>2,355</u>

The notes on pages 7 to 14 form part of these financial statements

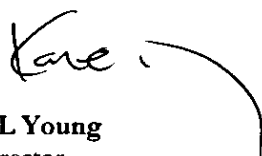
Balance sheet

As at 31 March 2012

	Note	£000	31 March 2012 £000	30 September 2011 £000
Fixed assets				
Tangible assets	4		95	98
Current assets				
Debtors	5	36		43
Creditors: amounts falling due within one year	6	(187)		-
Net current (liabilities)/assets			(151)	43
Net (liabilities)/assets			(56)	141
Capital and reserves				
Called up share capital	8		-	-
Profit and loss account	9		(56)	141
(Deficit to equity shareholders' funds)/equity shareholders' funds			(56)	141

The financial statements 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 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by


K L Young
Director

Date 21 December 2012

The notes on pages 7 to 14 form part of these financial statements

Notes to the financial statements

For the period ended 31 March 2012

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Going concern

The company has received confirmation of continuing financial support from the ultimate parent company, Assisted Living South West Holdings Limited, which confirms that it will provide sufficient funds for the company to meet its financial obligations for a period of at least twelve months from the date of approving these financial statements. Accordingly the financial statements have been prepared on a going concern basis.

1.3 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.

1.4 Turnover

Turnover represents amounts receivable during the year for the provision of care and accommodation and is recognised when the company has performed its obligations and in exchange obtained the right to consideration. Where the amount received relates to a period which covers the balance sheet date, that amount is apportioned over the period to which it refers.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. 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:

Short term leasehold property	-	over the life of the lease
Motor vehicles	-	25% per annum
Fixtures, fittings and equipment	-	10% to 33.3% per annum

1.6 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.

Notes to the financial statements

For the period ended 31 March 2012

1. Accounting policies (continued)

1.7 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into

A financial liability exists where there is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities under potentially unfavourable conditions. In addition, contracts which result in the entity delivering a variable number of its own equity instruments are financial liabilities. Shares containing such obligations are classified as financial liabilities.

Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. The carrying amount of the liability is increased by the finance cost and reduced by payments made in respect of that liability. Finance costs are calculated so as to produce a constant rate of charge on the outstanding liability.

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Dividends and distributions relating to equity instruments are debited directly to reserves.

Notes to the financial statements

For the period ended 31 March 2012

2. (Loss)/profit on ordinary activities before taxation

The (loss)/profit is stated after charging/(crediting)

	6 months ended 31 March 2012 £000	Year ended 30 September 2011 £000
Depreciation of tangible fixed assets		
- owned by the company	3	-
Auditor's remuneration	2	-
Pension costs	-	1
Reversal of impairment of leasehold property	-	(98)
Amounts owed to group undertakings written off	-	(2,555)
	<u> </u>	<u> </u>

During the period, no director received any emoluments (2011 - £NIL)

Auditors' remuneration in the prior year was borne by the company's parent company

Notes to the financial statements

For the period ended 31 March 2012

3. Taxation

	6 months ended 31 March 2012 £000	Year ended 30 September 2011 £000
Analysis of tax (credit)/charge in the period		
Current tax		
UK corporation tax charge on (loss)/profit for the period	-	-
Adjustments in respect of prior periods	-	90
Total current tax	-	90
Deferred tax		
Origination and reversal of timing differences	4	(17)
Effect of change in tax rate on opening balance	3	-
Total deferred tax (see note 7)	7	(15)
Tax on (loss)/profit on ordinary activities	7	75

Factors affecting tax charge for the period/year

The tax assessed for the period/year is lower than (2011 - lower than) the standard rate of corporation tax in the UK of 26% (2011 - 27%). The differences are explained below:

	6 months ended 31 March 2012 £000	Year ended 30 September 2011 £000
(Loss)/profit on ordinary activities before tax	(190)	2,430
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% (2011 - 27%)	(49)	656
Effects of:		
Impairment of fixed assets	-	(26)
Expenses not deductible for tax purposes	1	-
Capital allowances for period in excess of depreciation	(4)	(10)
Adjustments to tax charge in respect of prior periods	-	90
Non-taxable income	-	(691)
Group relief	52	71
Current tax charge for the period (see note above)	-	90

Notes to the financial statements

For the period ended 31 March 2012

4. Tangible fixed assets

	Short term leasehold property £000	Motor vehicles £000	Fixtures, fittings and equipment £000	Total £000
Cost				
At 1 October 2011 and 31 March 2012	197	68	224	489
Depreciation				
At 1 October 2011	99	68	224	391
Charge for the period	3	-	-	3
At 31 March 2012	102	68	224	394
Net book value				
At 31 March 2012	95	-	-	95
At 30 September 2011	98	-	-	98

Notes to the financial statements

For the period ended 31 March 2012

5. Debtors

	31 March 2012 £000	30 September 2011 £000
Deferred tax asset (see note 7)	36	43

6. Creditors:

Amounts falling due within one year

	31 March 2012 £000	30 September 2011 £000
Amounts owed to group undertakings	187	-

Amounts owed to group undertakings are unsecured, repayable on demand and interest free

7. Deferred tax asset

	31 March 2012 £000	30 September 2011 £000
At beginning of period	43	28
Profit and loss account	(7)	15
At end of period	36	43

The deferred tax asset is made up as follows

	31 March 2012 £000	30 September 2011 £000
Accelerated capital allowances	36	43

A deferred tax asset of £129,000 (2011 £140,000) in relation to losses of £537,000 (2011 £537,000) has not been recognised due to uncertainty of future taxable profits

Notes to the financial statements

For the period ended 31 March 2012

8. Share capital

	31 March 2012 £000	30 September 2011 £000
Allotted, called up and fully paid		
1 ordinary share of £1	-	-

9. Reserves

	Profit and loss account £000
At 1 October 2011	141
Loss for the period	(197)
At 31 March 2012	(56)

10. Contingent liabilities

The company is party to cross guarantees in relation to borrowings of other group undertakings provided by Sovereign Capital Partners LLP

11. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £nil (2011 - £1,000)

12. Operating lease commitments

At 31 March 2012 the company had annual commitments under non-cancellable operating leases as follows

	31 March 2012 £000	30 September 2011 £000
Expiry date		
After more than 5 years	41	41

Notes to the financial statements

For the period ended 31 March 2012

13. Related party transactions

The company was a subsidiary of Southern Cross Healthcare Group plc until 30 September 2011, on which date the company was acquired by Assisted Living South West Group Limited. The majority of the transactions in the prior year were funded through the bank account held in Southern Cross Healthcare Limited which was central to the group's treasury activities. The main transactions with other Southern Cross group companies are disclosed below.

	6 months ended 31 March 2012 £000	Year ended 30 September 2011 £000
Opening amounts owed to group undertakings	-	(2,364)
Interest paid	-	-
Working capital movement	-	(191)
Management charge	-	-
Amount written off	-	2,555
	<hr/>	<hr/>
	-	-
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The company has taken advantage of the exemption from the requirement to disclose all transactions with its parent company and wholly owned subsidiaries as conferred by FRS8.

14. Ultimate parent undertaking and controlling party

The immediate parent company is Assisted Living South West Group Limited, which is registered in England and Wales.

The ultimate parent company is Assisted Living South West Holdings Limited, which is registered in England and Wales.

Its group accounts are available to the public on payment of the appropriate fee, from Companies House, Crown Way, Mandy, Cardiff, CF4 3UZ.

The ultimate controlling party is Sovereign Capital Partners LLP.