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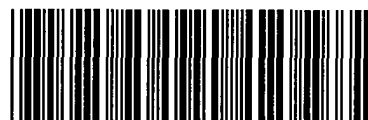
06545542

**ENARA GROUP LIMITED**

**Annual Report and Financial Statements**

**For the year ended 31 March 2014**

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**Enara Group Limited**

**06545542**

**Officers and professional advisors**

**DIRECTORS**

W Felton  
R Mannan  
J Flanagan

**SECRETARY**

Mitie Company Secretarial Services Limited

**REGISTERED OFFICE**

1 Harlequin Office Park  
Fieldfare  
Emersons Green  
Bristol  
BS16 7FN

**AUDITOR**

Deloitte LLP  
London

**Strategic report**

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

**Review of the business**

The principal activity of Enara Group Limited ("the Company") is that of a holding company of the group of companies whose principal activity is domiciliary care services.

The loss before tax for the year was £1,671,000 (2013: £2,462,000). The Company does not carry out a business itself, acting only as a *holding company*.

**Key performance indicators**

The Company is part of the Mitie Group ("the Group"). The Group manages its operations on a divisional basis. For this reason, the Company's directors do not believe further key performance indicators are necessary for an appropriate understanding of the performance and position of the business. The performance of the Group's divisions is discussed in the Group's annual report which does not form part of this report.

**Principal risks and uncertainties**

The Company manages its risks within the Mitie Group Risk Framework. Details of the principal risks and uncertainties are given in the Mitie Group plc annual report. The directors have reviewed the financial risk management objectives and policies of the Company in the light of the Group Risk Framework. The directors do not believe there to be any other significant risks.

**Financial risk management**

The Company does not enter into any hedging instruments, or any financial instruments for speculative purposes.

Appropriate trade terms are negotiated with suppliers and customers. Management reviews these terms and the relationships with suppliers and customers and manages any exposure on normal trade terms. The Company prepares regular forecasts of cash flow and liquidity and any requirement for additional funding is managed as part of the overall Mitie Group Plc financing arrangements.

**Future developments**

The directors expect the general level of activity to remain consistent with 2014 in the forthcoming year. The external environment is expected to remain competitive going forward.

Approved by the Board and signed on its behalf by:



R Mannan  
Director  
11 August 2014

**Directors' report**

The directors present the annual report and financial statements of Enara Group Limited ("the Company") for the year ended 31 March 2014.

**Dividends**

No dividend was declared or paid in the year (2013: no dividend).

**Going Concern**

The Company has net liabilities and is, therefore, reliant on the support of its immediate and ultimate parent companies in order to meet its liabilities as they fall due. The directors have considered the forecast results and associated cash flows for the foreseeable future, being the period not less than 12 months from the date of signing of these financial statements. The directors have considered the facilities available to the Company and believe that they can operate within the facilities available for the period of the cash flow forecast. Accordingly, the directors consider it appropriate to adopt the going concern basis in the preparation of the Company's financial statements.

**Payment of creditors**

The Company manages its procurement and supply chain with increasing consideration of its impact on the Company's profitability, reputation and sustainability objectives and is committed to proactively developing mutually beneficial and sustainable trading relationships with all of our stakeholders, based on a foundation of trust and co-operation.

**Environment**

Mitie Group plc and its subsidiaries endeavour to identify, monitor and manage the impact of their activities on the environment and are fully committed to environmental accountability and protection. The Company operates in accordance with Group policies, which are described in the Group's annual and sustainability reports which do not form part of this report.

**Directors**

The directors who served during the year, together with those subsequently appointed were:

W Felton

R Mannan (appointed 29 August 2013)

J Flanagan

A Dun (resigned 12 April 2013)

Each of the directors in office as of the date of approval of this report confirms that:

- so far as he/she is aware, there is no relevant audit information (being information required by the auditor in the preparation of their report) of which the Company's auditor is unaware; and
- he/she has each taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of such information.

This confirmation is given, and should be interpreted in accordance with Section 418 of the Companies Act 2006.

**Appointment of auditor**

Deloitte LLP has indicated its willingness to be reappointed for another term and appropriate arrangements have been put in place for it to be deemed reappointed as auditor in the absence of an Annual General Meeting.

**Directors' report**

**Directors' responsibilities statement**

The directors are responsible for preparing the Annual Report and Financial Statements. The directors have elected to prepare financial statements in accordance with UK GAAP. The directors are required to prepare financial statements for each financial year which 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare 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 which disclose with reasonable accuracy at any time the financial position of the Company, safeguarding the assets, taking reasonable steps for the prevention and detection of fraud and other irregularities, and the preparation of a Directors' Report and Strategic Report which complies with the relevant requirements of the Companies Act 2006.

Approved by the Board and signed on its behalf by:



R Mannan

Director

11 August 2014

## **Independent auditor's report to the members of Enara Group Limited**

We have audited the financial statements of Enara Group Limited for the year ended 31 March 2014 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 14. 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 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 Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 2014 and of its loss 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 Strategic Report and the Directors' Report 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 Enara Group 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.



**Judith Tacon (Senior statutory auditor)**

**for and on behalf of Deloitte LLP**

Chartered Accountants and Statutory Auditor

London, United Kingdom

11 August 2014



**Enara Group Limited****06545542****Profit and loss account****For the year ended 31 March 2014**

	<b>Note</b>	<b>2014 £'000</b>	<b>2013 £'000</b>
Administration expense		(1,671)	(2,461)
<b>Operating loss</b>	<b>2</b>	<b>(1,671)</b>	<b>(2,461)</b>
<b>Loss on ordinary activities before interest and taxation</b>		<b>(1,671)</b>	<b>(2,461)</b>
<b>Loss on ordinary activities before taxation</b>		<b>(1,671)</b>	<b>(2,461)</b>
Tax credit on loss on ordinary activities	<b>5</b>	<b>382</b>	<b>448</b>
<b>Loss for the financial year</b>	<b>10</b>	<b>(1,289)</b>	<b>(2,013)</b>

The results for the period are wholly attributable to the continuing operations of the Company.

The Company has no recognised gains or losses for the year other than the results above.

**Enara Group Limited****06545542****Balance sheet****As at 31 March 2014**

	Note	2014 £'000	2013 £'000
<b>Fixed assets</b>			
Investments	6	-	-
		<u>-</u>	<u>-</u>
<b>Current assets</b>			
Debtors			
- due within one year	7	1,761	1,352
		<u>1,761</u>	<u>1,352</u>
<b>Creditors: amounts falling due within one year</b>	8	(9,255)	(7,557)
		<u>(7,494)</u>	<u>(6,205)</u>
<b>Net current liabilities</b>		<u>(7,494)</u>	<u>(6,205)</u>
<b>Net liabilities</b>		<u>(7,494)</u>	<u>(6,205)</u>
<b>Share capital and reserves</b>			
Called up share capital	9	1,000	1,000
Profit and loss account	10	(8,494)	(7,205)
		<u>(7,494)</u>	<u>(6,205)</u>
<b>Shareholders' deficit</b>	11	<u>(7,494)</u>	<u>(6,205)</u>

The financial statements of Enara Group Limited were approved by the board of directors and authorised for issue on 11 August 2014.

Signed on its behalf by:  
R Mannan  
Director



## Notes to the financial statements

Year ended 31 March 2014

### 1. Accounting policies

The financial statements of the Company have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards and law.

As more fully detailed in the Directors' report, the Company's financial statements have been on a going concern basis.

The principal accounting policies are summarised below. They have been applied consistently throughout the year and the preceding year.

#### **Group accounts**

Consolidated group accounts have not been prepared as the Company has taken advantage of the exemption from this requirement, conferred by FRS 2, on the grounds that its accounts are consolidated in the larger group of Mitie Group plc. Accordingly, the financial statements present information about the Company as an entity and not as a group.

#### **Pension costs**

The Company participates in defined contribution schemes.

The amount charged to the profit and loss account is the contributions payable in the year.

#### **Taxation**

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based upon tax rates and legislation that have been enacted or substantively enacted at the balance sheet date. Timing differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset, or on unremitted earnings of subsidiaries and associates where there is no commitment to remit these earnings. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### **Cash flow statement**

The Company has taken the exemption from the requirement to prepare a cash flow statement, as it is included within the consolidated financial statements of Mitie Group plc and greater than 90% of the voting rights of the Company are held by Mitie Group plc.

## Notes to the financial statements

Year ended 31 March 2014

## 2. Operating loss

	2014 £'000	2013 £'000
<b>Operating loss is stated after charging</b>		
Fees payable to the Company's auditor for the audit of the Company's annual accounts	-	120
	<u>          </u>	<u>          </u>

Audit fees of £6,715 were borne by Mitie Group plc and not recharged. In the prior year the audit fee includes amounts incurred on behalf of other group companies. It was not practicable to apportion the audit fee between services provided to this company and other group companies.

The Company has taken the exemption available to it not to disclose separately information about fees for non-audit services provided to the Company as this information is available in the consolidated financial statements of Mitie Group plc.

## 4. Employees

The average number of persons (including directors) employed by the Company during the financial year was:

	2014 No.	2013 No.
Administration	1	5
	<u>          </u>	<u>          </u>
	1	5
	<u>          </u>	<u>          </u>

**Employment cost**

	£'000	£'000
Wages and salaries	155	1,039
Social security costs	21	119
Other pension costs	-	31
	<u>          </u>	<u>          </u>
	176	1,188
	<u>          </u>	<u>          </u>

## Notes to the financial statements

Year ended 31 March 2014

## 4. Directors

	2014 £'000	2013 £'000
The emoluments of the directors of the Company were:		
- Aggregate emoluments	155	552
- Aggregate value of contributions paid to a money purchase pension scheme	-	31
	<u>155</u>	<u>583</u>
	2014 £'000	2013 £'000
Highest paid director:		
- Aggregate emoluments	155	166
- Aggregate value of contributions paid to a money purchase pension scheme	-	16
	<u>155</u>	<u>182</u>

The following directors are also directors or employees of another group company. They are remunerated by the company shown. It is not practicable to allocate their remuneration between their services as directors of this company and as directors or employees of other group companies.

Director	Remunerated by
W Felton	Mitie Group plc
R Mannan	MiHomecare Limited
J Flanagan	Mitie Group plc

## Notes to the financial statements

Year ended 31 March 2014

## 5. Tax on loss on ordinary activities

	2014	2013
	£'000	£'000
<b>(a) Analysis of credit in the year</b>		
United Kingdom corporation tax 23% (2013: 24%)	(384)	(597)
Adjustment in respect of prior years	2	-
	<u>(382)</u>	<u>(597)</u>
Total current tax (Note 5(b))	(382)	(597)
Deferred taxation:		
Timing differences - origination and reversal	-	149
	<u>(382)</u>	<u>(448)</u>
<b>(b) Factors affecting tax credit in the year</b>		
The tax assessed for the year differs from that resulting from applying the standard rate of corporation tax in the UK of 23% (2013: 24%). The differences are as follows:		
Loss on ordinary activities before tax	<u>(1,671)</u>	<u>(2,461)</u>
Tax at 23% (2013: 24%) thereon:	(384)	(591)
Expenses not deductible for tax purposes	-	4
Other timing differences	-	(10)
Adjustments to tax charge in respect of prior periods	2	-
	<u>(382)</u>	<u>(597)</u>
<b>Current tax credit for the year (Note 5(a))</b>	<u>(382)</u>	<u>(597)</u>

The UK Government announced reductions in the UK corporation tax rate from 23% to 21% from 1 April 2014 and from 21% to 20% from 1 April 2015, which were substantively enacted on 2 July 2013. The reduction in the balance sheet carrying value of deferred tax assets and liabilities to reflect the rate of tax at which those differences are expected to reverse has not had a material impact on the current year tax charge.

Amount charged to the profit and loss account in the year in relation to deferred tax	-	149
	<u>-</u>	<u>149</u>

## Notes to the financial statements

Year ended 31 March 2014

## 6. Investments

	2014 £	2013 £
At start of year	1	1
At end of year	1	1

The investments balance at 31 March 2014 represented interests in the following company:

Name of undertaking	Principal Activity	Class of shares held	% of shares held	% of voting rights held	Country of incorporation
Enara Finance Limited	Intermediate parent company	Ordinary	100%	100%	England and Wales

The Company has taken advantage of Section 400 of the Companies Act 2006 and therefore no consolidated financial statements have been prepared.

Details of indirect subsidiaries are disclosed in the financial statements of Enara Finance Limited.

## 7. Debtors

	2014 £'000	2013 £'000
<b>Amounts falling due within one year:</b>		
Amounts owed by Group undertakings	782	755
Corporation tax	979	597
	1,761	1,352

## Notes to the financial statements

Year ended 31 March 2014

## 8. Creditors: amounts falling due within one year

	2014 £'000	2013 £'000
Amounts owed to Group undertakings	9,126	6,817
Accruals and deferred income	129	740
	<u>9,255</u>	<u>7,557</u>

## 9. Called up share capital

	2014 £'000	2013 £'000
Allotted and called up share capital		
1,000,000 £1 Ordinary	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

## 10. Reserves

	Profit and loss account £'000
At start of year	(7,205)
Loss for the financial year	(1,289)
	<u>(8,494)</u>
At end of year	<u>(8,494)</u>



## Notes to the financial statements

Year ended 31 March 2014

## 11. Reconciliation of movement in shareholder's deficit

	2014 £'000	2013 £'000
Loss for the financial year	(1,289)	(2,013)
Net addition to shareholder's deficit	(1,289)	(2,013)
Opening shareholder's deficit	(6,205)	(4,192)
Closing shareholder's deficit	(7,494)	(6,205)

## 12. Financial commitments

*Commitments on behalf of group undertakings*

The Company is party with other group undertakings to cross-guarantees of each other's bank overdrafts and loans.

	2014 £'000	2013 £'000
Overall commitment	1,208	10,000

**Notes to the financial statements**

**Year ended 31 March 2014**

**13. Related party transactions**

The Company has taken the exemption available under FRS 8 not to disclose transactions with other wholly-owned subsidiaries of Mitie Group plc. There were no transactions with entities other than members of Mitie Group plc which require disclosure under FRS 8.

**14. Ultimate parent undertaking and controlling party**

Mitie Group plc is the immediate controlling party and the directors regard Mitie Group plc, a company registered in Scotland, as the ultimate parent company and controlling party.

Mitie Group plc is the largest and smallest group for which group accounts are prepared. Copies of the group financial statements can be obtained from the Company Secretary at the registered office.