

North Lancashire Doctors Limited

Directors' report and financial statements

For the year ended 31 March 2013

Registered number 07178590



Company Information

Directors M D Denver (resigned 5 April 2013)
G Gregory (resigned 11 March 2013)
A D C Whutton (resigned 5 April 2013)
V M McVey (appointed 11 March 2013)
I D Wiles (appointed 11 March 2013)
A M Andrews (appointed 11 March 2013)

Registered number 07178590

Registered office Lynton House
7-12 Tavistock Square
London
WC1H 9LT

Independent auditor KPMG LLP
Chartered Accountants
8 Princes Parade
Liverpool
L3 1QH

Contents

	Page
Directors' report	1 - 2
Directors' responsibilities statement	3
Independent auditor's report to the members of North Lancashire Doctors Limited	4 - 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 14

Directors' report

The directors present their report and the financial statements for the year ended 31 March 2013

Principal activities

The principal activity of the business continues to be the provision of NHS primary care services

Results and dividends

The profit for the year, after taxation, amounted to £106,737 (2012 - £114,086) The directors do not recommend the payment of a dividend for 2013 (2012 - £nil) The retained profit for the financial year of £106,737 (2012 - £114,086) has been transferred to reserves

Directors

The directors who served during the year were

M D Denver (resigned 5 April 2013)
G Gregory (resigned 11 March 2013)
A D C Whitton (resigned 5 April 2013)
V M McVey (appointed 11 March 2013)
I D Wiles (appointed 11 March 2013)
A M Andrews (appointed 11 March 2013)

Political and charitable contributions

The Company made no political or charitable donations nor incurred any political expenditure during the year (2012 - £nil)

Provision of information to auditor

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 auditor is unaware and
- each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information

Directors' report

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

Going concern

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reason. The Company has access to sufficient cash to continue to support the business over at least the next 12 months, based on forecasts and projections, taking account of reasonably possible changes in trading performance. As the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, they continue to adopt the going concern basis in preparing the annual financial statements. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on

29/01/14

and signed on its behalf

Vivienne M. Vey

V M McVey
Director

Directors' responsibilities statement
for the year ended 31 March 2013

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 the Financial Reporting Standard for Smaller Entities (Effective April 2008) and applicable law (UK Generally Accepted Accounting Practice applicable to Smaller Entities). 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 accounting estimates that are reasonable and prudent, 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.

Independent auditor's report to the members of North Lancashire Doctors Limited

We have audited the financial statements of North Lancashire Doctors Limited for the year ended 31 March 2013, set out on pages 6 to 14. 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)(UK 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, set out on page 3, 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 March 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Other matter - prior period financial statements

In forming our opinion on the financial statements, which is not modified, we note that the prior period financial statements were not audited. Consequently, International Standards on Auditing (UK and Ireland) require the auditor to state that the corresponding figures contained within these financial statements are unaudited.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in 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 North Lancashire Doctors 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 financial statements and the directors' report in accordance with the Small Companies Regime



Will Baker (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
8 Princes Parade
Liverpool
L3 1QH

Date

30 January 2014

Profit and loss account
for the year ended 31 March 2013

	<i>Note</i>	2013 £	Unaudited 2012 £
Turnover	1	1,363,359	1,725,737
Cost of sales		(1,193,067)	(1,510,627)
Gross profit		170,292	215,110
Administrative expenses		(50,759)	(100,728)
Operating profit	2	119,533	114,382
Interest payable and similar charges		-	(296)
Profit on ordinary activities before taxation		119,533	114,086
Tax on profit on ordinary activities	4	(12,796)	-
Profit for the financial year	10	106,737	114,086

The notes on pages 8 to 14 form part of these financial statements

All amounts relate to continuing operations

There were no recognised gains or losses for 2013 or 2012 other than those included in the profit and loss account

North Lancashire Doctors Limited
Annual report and financial statements
For the year ended 31 March 2013

Registered number: 07178590

Balance sheet
as at 31 March 2013

	<i>Note</i>	£	2013 £	£	Unaudited 2012 £
Fixed assets					
Intangible assets	5		857		8,513
Tangible assets	6		-		1,108
			<u>857</u>		<u>9,621</u>
Current assets					
Debtors	7	66,758		12,114	
Cash at bank		160,008		148,036	
		<u>226,766</u>		<u>160,150</u>	
Creditors, amounts falling due within one year	8	(188,414)		(237,299)	
Net current assets/(liabilities)			<u>38,352</u>		<u>(77,149)</u>
Net assets/(liabilities)			<u>39,209</u>		<u>(67,528)</u>
Capital and reserves					
Called up share capital	9		2		2
Profit and loss account	10		39,207		(67,530)
Shareholders' funds/(deficit)			<u>39,209</u>		<u>(67,528)</u>

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 on

29/10/14
Vivienne M. McVey

V M McVey
Director

The notes on pages 8 to 14 form part of these financial statements

Notes to the financial statements

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 financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reason. The Company has access to sufficient cash to continue to support the business over at least the next 12 months, based on forecasts and projections, taking account of reasonably possible changes in trading performance. As the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, they continue to adopt the going concern basis in preparing the annual financial statements. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

1.3 Cash flow

The financial statements do not include a Cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.4 Turnover

Turnover comprises revenue recognised by the Company in respect of services supplied during the year, exclusive of Value Added Tax. Turnover is recognised as the services are provided.

1.5 Intangible fixed assets and amortisation

Intangible fixed assets are amortised at rates calculated to write off the assets on a straight line basis over their estimated useful economic lives not to exceed five years. Impairment of intangible assets is only reviewed where circumstances indicate that the carrying value of an asset may not be recoverable.

1.6 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:

Plant and machinery	-	3 years straight line
Office equipment	-	3 years straight line

Notes to the financial statements

1. Accounting policies (continued)

1.7 Taxation

The charge for taxation is based on the profit or loss for the year taking into account taxation deferred because of timing differences between the treatment of certain items for tax and accounting purposes

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 Impairment

The carrying amounts of the Company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated

An impairment loss is recognised whenever the carrying amount of an asset or its income-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account unless it arises on a previously revalued fixed asset. An impairment loss on a revalued fixed asset is recognised in the statement of total recognised gains and losses until the carrying amount reaches the asset's depreciated historic cost

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised

1.9 Pensions

Staff have access to the NHS Pension Scheme which is a multi-employer defined benefit scheme which is contracted out of the state second pension. The Company is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis. Therefore as required by FRS 17, the scheme is accounted for as if it were a defined contribution scheme. As a result the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period

Notes to the financial statements

2. Operating profit

The operating profit is stated after charging

	2013	Unaudited 2012
	£	£
Amortisation - intangible fixed assets	7,656	7,657
Depreciation of tangible fixed assets		
- owned by the company	1,108	1,109
Auditor's remuneration	2,300	-
Operating lease rentals		
- motor vehicles	8,289	607
	<u>19,353</u>	<u>9,373</u>

3. Directors' remuneration

	2013	Unaudited 2012
	£	£
Aggregate emoluments	9,779	4,886
	<u>9,779</u>	<u>4,886</u>

During the year retirement benefits were accruing to 2 directors (2012 - 2) in respect of defined contribution pension schemes

4. Taxation

	2013	Unaudited 2012
	£	£
UK corporation tax charge on profit for the year	12,796	-
	<u>12,796</u>	<u>-</u>

Notes to the financial statements

5. Intangible fixed assets

	<i>Procurement costs £</i>
Cost	
At 1 April 2012 and 31 March 2013	22,971
Amortisation	
At 1 April 2012 (unaudited)	14,458
Charge for the year	7,656
At 31 March 2013	22,114
Net book value	
At 31 March 2013	857
At 31 March 2012	8,513

6. Tangible fixed assets

	<i>Plant and machinery £</i>	<i>Office equipment £</i>	<i>Total £</i>
Cost			
At 1 April 2012 and 31 March 2013	1,857	1,469	3,326
Depreciation			
At 1 April 2012 (unaudited)	1,238	980	2,218
Charge for the year	619	489	1,108
At 31 March 2013	1,857	1,469	3,326
Net book value			
At 31 March 2013	-	-	-
At 31 March 2012	619	489	1,108

Notes to the financial statements

7. Debtors

	2013	Unaudited 2012
	£	£
Trade debtors	42,614	2,203
Amounts owed by group undertakings	11,430	-
Prepayments and accrued income	6,127	9,909
Other debtors	6,587	2
	<u>66,758</u>	<u>12,114</u>

8. Creditors: Amounts falling due within one year

	2013	Unaudited 2012
	£	£
Trade creditors	695	78,757
Corporation tax	12,796	-
Social security and other taxes	16,985	14,267
Accruals and deferred income	139,378	115,449
Other creditors	18,560	28,826
	<u>188,414</u>	<u>237,299</u>

9. Share capital

	2013	Unaudited 2012
	£	£
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

Notes to the financial statements

10 Reserves

	<i>Profit and loss account</i>
	£
At 1 April 2012	(67,530)
Profit for the year	106,737
	<u>39,207</u>
At 31 March 2013	<u>39,207</u>

11. Pension commitments

The company contributes to the NHS pension scheme which is a multi-employer defined benefit pension scheme. Because it is not possible to separately identify the company's share of the underlying assets and liabilities of the scheme, the scheme is accounted for as if it were a defined contribution scheme. Contributions are charged to the profit and loss account as they become payable. The pension cost charge represents contributions payable by the Company to the fund and this amounted to £49,114 (2012 - £94,798). Contributions totalling £18,560 (2012 - £28,826) were payable to the fund at the balance sheet date and are included in other creditors.

12. Operating lease commitments

At 31 March 2013 the company had annual commitments under non-cancellable operating leases as follows

	2013	Unaudited 2012
	£	£
Expiry date:		
Within 1 year	-	607
Within 1 and 2 years	8,289	-
	<u>8,289</u>	<u>-</u>

13. Related party transactions

The Company shares a common director with Virgin Care Limited. Virgin Care Limited is considered a related party by virtue of it having dominant influence over North Lancashire Doctors Limited, such that North Lancashire Doctors Limited is considered to be a subsidiary of Virgin Care Limited. Virgin Care Provider Services Limited is also a related party of the Company as it is a wholly owned subsidiary of Virgin Care Limited. The LLP's which are subsidiaries or joint ventures of Virgin Care Limited are also related parties.

Sales to each related party are summarised in the table below including the balance outstanding at the balance sheet date which are included within amounts owed by group undertakings.

The table also includes purchases made from each related party including the balance outstanding at the balance sheet date which are included within trade creditors.

Notes to the financial statements

13. Related party transactions (continued)

	<i>Sales to in year ended 31 March 2013</i>	<i>Balance outstanding at 31 March 2013</i>	<i>Purchases from in year ended 31 March 2013</i>	<i>Balance outstanding at 31 March 2013</i>
	£	£	£	£
Virgin Care Vertus LLP (formerly Assura Vertus LLP)	1,979	1,979	-	-
Virgin Care Coventry LLP (formerly Assura Coventry LLP)	9,419	9,419	-	-
Assura North Lincs LLP	99	32	-	-
Virgin Care Limited	-	-	(59,564)	-
	<i>Unaudited Sales to in year ended 31 March 2012</i>	<i>Unaudited Balance outstanding at 31 March 2012</i>	<i>Unaudited Purchases from in year ended 31 March 2012</i>	<i>Unaudited Balance outstanding at 31 March 2012</i>
	£	£	£	£
Virgin Care Provider Services Limited	111	111	-	-
Virgin Care Limited	-	-	(76,048)	(58,677)
Virgin Care Liverpool LLP (formerly Assura Liverpool LLP)	-	88	(398)	-

14. Ultimate parent undertaking and controlling party

The Company is owned equally by two of the directors, V M McVey and I D Wiles and is not owned by any of the Virgin Care Group Companies

Due to the fact that the directors' and shareholders are part of the Virgin Care senior management team, Virgin Care Limited is considered to exert dominant influence over North Lancashire Doctors Limited

The Company is a subsidiary of Virgin Group Holdings Limited, a company incorporated in the British Virgin Islands

The largest and smallest group in which the Company and group results are consolidated are those for Virgin Wings Limited and Virgin Holdings Limited respectively, companies both registered in England and Wales

Copies of the group accounts of Virgin Holdings Limited and Virgin Wings Limited can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ