

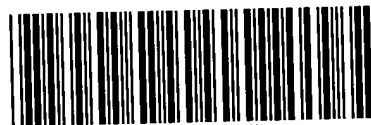
**Company Registration No. 07563096**

**Starr Care Limited**

**Annual Report and Financial Statements**

**For the year ended 31 October 2014**

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# **Starr Care Limited**

## **Annual report and financial statements 2014**

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# **Starr Care Limited**

## **Annual report and financial statements 2014**

### **Officers and professional advisers**

#### **Directors**

P Kinsey (appointed 03 September 2014)  
G J Fitton (appointed 03 September 2014)  
N Sibley (resigned 03 September 2014)

#### **Secretary**

G J Fitton (appointed 03 September 2014)  
N Sibley (resigned 03 September 2014)

#### **Registered Office**

The Care House  
Randalls Way  
Leatherhead  
Surrey  
KT22 7TW

#### **Bankers**

NatWest  
PO Box 3415  
Bishopsgate  
London  
EC2P 2AP

#### **Auditor**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Reading  
United Kingdom

# **Starr Care Limited**

## **Directors' report**

The directors present their annual report and the financial statements for the year ended 31 October 2014. The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption. Accordingly, the directors have elected to take advantage of the exemption from preparing a strategic report.

### **Principal activity**

The principal activity of the Company during the period to 03 September 2014 was the provision of domiciliary care services for elderly and less able individuals. On 03 September 2014, the entire issued share capital of the Company was purchased by CMG (Domiciliary Care Investments) Ltd and the trading activity of the company was immediately hived up to a fellow subsidiary undertaking, Care Your Way Limited. As a result, the company no longer has a principal activity.

### **Results and dividends**

The trading results for the year and the Company's financial position at the end of the year are shown in the attached financial statements. The Company did not pay a dividend during the period (2014: nil).

### **Future prospects and going concern**

The Company is not expected to trade within the foreseeable future. Accordingly, the financial statements have been prepared on a basis other than that of a going concern, as explained in note 1 to the financial statements. No adjustments were required as a result of changing the basis of preparation.

### **Directors**

The directors who served the Company during the year are set out on page 1.

### **Auditors**

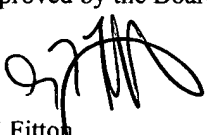
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director has taken all the steps that they ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

Deloitte LLP were appointed as auditors during the period. Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board on 20 May 2015



G J Fitton  
Director

# **Starr Care Limited**

## **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual 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 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 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.

## **Independent auditor's report to the members of Starr Care Limited**

We have audited the financial statements of Starr Care Limited for the year ended 31 October 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 12. 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 auditors' 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 auditors**

As explained more fully in the Statement of Directors' Responsibilities, 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**

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 implication for our report.

### **Basis for qualified opinion on financial statements**

The company was acquired by CMG (Domiciliary Care Investments) Limited on 03 September 2014. The audit evidence available to us in respect of the balance sheet as at 1 November 2013 and the transactions in the profit and loss account for the year ended 31 October 2014 were limited because the company had not previously required audit due to the size exemptions available. Owing to the nature of the company's records, we were unable to obtain sufficient appropriate audit evidence regarding these balances and transactions in the profit and loss account for the year ended 31 October 2014.

### **Qualified opinion on financial statements**

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2014 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.

### **Emphasis of matter – Financial statements prepared other than on a going concern basis**

In forming our opinion on the financial statements, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

## **Independent auditor's report to the members of Starr Care Limited (continued)**

### **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.

### **Matters on which we are required to report by exception**

In respect solely of the limitation on our work relating to the transactions in the profit and loss account, described above:

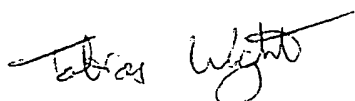
- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records had been kept.

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:

- 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
- 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 from preparing a Strategic Report or in preparing the Directors' report.

### **Other matter**

As the company was exempt from audit under section 477 of the Companies Act 2006 in the prior year we have not audited the corresponding amounts for that year.



Tobias Wright FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Reading, United Kingdom

28 May 2015

## **Starr Care Limited**

### **Profit and loss account Year ended 31 October 2014**

	Notes	2014 £	2013 £
<b>Turnover</b>	2	539,009	595,738
Cost of sales		(401,151)	(445,826)
<b>Gross profit</b>		<u>137,858</u>	<u>149,912</u>
Operating expenses	3	(441,967)	(167,713)
Other operating income	3	463,810	-
<b>Operating profit/(loss)</b>		<u>159,701</u>	<u>(17,801)</u>
Interest payable and similar charges		-	(17,522)
<b>Profit/(loss) on ordinary activities before taxation</b>		<u>159,701</u>	<u>(35,323)</u>
Tax on profit on ordinary activities	4	(25,819)	-
<b>Profit/(loss) on ordinary activities after taxation</b>	3, 11	<u><u>133,882</u></u>	<u><u>(35,323)</u></u>

All of the activities of the company are classed as discontinued.

There are no recognised gains or losses for the current or preceding financial year other than as stated in the profit and loss account. Accordingly, no statement of total recognised gains and losses has been presented.



# Starr Care Limited

## Balance sheet 31 October 2014

	Notes	2014 £	2013 £
<b>Fixed assets</b>			
Intangible assets	5	-	329,446
Tangible assets	6	-	6,188
		<hr/>	<hr/>
		-	335,634
<b>Current assets</b>			
Debtors: amounts due within one year	7	-	100,994
Debtors: amounts due in more than one year	7	108,358	-
Cash at bank and in hand		-	21,137
		<hr/>	<hr/>
		108,358	122,131
<b>Creditors: amounts falling due within one year</b>	8	(25,819)	(509,108)
		<hr/>	<hr/>
<b>Net current assets / (liabilities)</b>		82,539	(386,977)
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		82,539	(51,343)
		<hr/>	<hr/>
<b>Creditors: amounts falling due after more than one year</b>		-	-
		<hr/>	<hr/>
<b>Net assets/(liabilities)</b>		82,539	(51,343)
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	10	1	1
Profit and loss account	11	82,538	(51,344)
		<hr/>	<hr/>
<b>Total shareholder's funds/(deficit)</b>	12	82,539	(51,343)
		<hr/>	<hr/>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements of Company number 07563096 were approved by the Board of Directors on 20 May 2015.

Signed on behalf of the Board of Directors



G J Fitton  
Director

# **Starr Care Limited**

## **Notes to the financial statements (continued)** **Year ended 31 October 2014**

### **1. Accounting policies**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below. These have been consistently applied throughout the year and the preceding year.

#### **Accounting convention**

The financial statements are prepared under the historical cost convention.

#### **Basis of preparation and going concern**

The trade and assets of the Company were hived up into Care Your Way Limited on 03 September 2014. The Company has not traded since this date and the directors believe it is probable that the Company will not continue to trade in the foreseeable future. Accordingly, the financial statements have been prepared on a basis other than that of a going concern.

#### **Cash flow statement**

The Company is a wholly-owned subsidiary of CMG Holdco Limited and is included in the consolidated financial statements of that company, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996).

#### **Turnover**

Turnover represents sales and services to third party customers in the care sector, stated net of any applicable value added tax and sales discounts. Turnover is recognised when the services are provided. All turnover arises in the United Kingdom.

#### **Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairment. Depreciation is provided at the following annual rates in order to write off the cost of each asset, less any estimated residual value over its estimated useful life.

Motor vehicles	-	25% reducing balance
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#### **Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation 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 on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. 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.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse.

# Starr Care Limited

## Notes to the financial statements (continued) Year ended 31 October 2014

### 2. Turnover

Turnover, all of which arises in the United Kingdom is attributable to the principal activity of the company, being the provision of domiciliary care at home for elderly and less able individuals up to the date of hive-up of its trade and assets into Care Your Way.

### 3. Profit/(loss) on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2014 £	2013 £
Depreciation of tangible fixed assets – owned	6,926	2,062
Amortisation of intangible fixed assets	329,446	109,815

Other operating income of £463,810 (2013: £nil) relates to director's loans waived during the period.

### 4. Taxation on ordinary activities

Factors affecting current tax for the period:

	2014 £	2014 £
Profit on ordinary activities before taxation	159,701	-
At standard rate of 21.99% (2014: 23.1%)	35,119	-
Effects of:		
Capital allowances for period in excess of depreciation	1,523	-
Utilisation of tax losses	(10,823)	-
Current tax charge for the period	25,819	-

### 5. Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 November 2013 and 31 October 2014	329,446
<b>Amortisation</b>	
At 1 November 2013	-
Charge for the year	329,446
At 31 October 2014	329,446
<b>Net book value</b>	
At 31 October 2014	-
At 31 October 2013	329,446

# Starr Care Limited

## Notes to the financial statements (continued) Year ended 31 October 2014

### 6. Tangible fixed assets

	Motor vehicles £	Office equipment £	Total £
<b>Cost</b>			
At 1 November 2013	11,000	-	11,000
Additions	-	738	738
Disposals	-	(738)	(738)
Transferred to fellow group companies	(11,000)	-	(11,000)
	<hr/>	<hr/>	<hr/>
At 31 October 2014	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Accumulated depreciation</b>			
At 1 November 2013	4,812	-	4,812
Charge for the year	6,188	-	6,188
Transferred to fellow group companies	(11,000)	-	(11,000)
	<hr/>	<hr/>	<hr/>
At 31 October 2014	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 October 2014	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 October 2013	6,188	-	6,188
	<hr/>	<hr/>	<hr/>

### 7. Debtors

	2014 £	2013 £
<b>Amounts due within one year:</b>		
Trade debtors	-	93,494
Other debtors	-	7,500
	<hr/>	<hr/>
	-	100,994
	<hr/>	<hr/>
<b>Amounts due in more than one year:</b>		
Amounts owed by group undertakings	108,358	-
	<hr/>	<hr/>

# Starr Care Limited

## Notes to the financial statements (continued) Year ended 31 October 2014

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

	2014 £	2013 £
Trade creditors	-	553
Bank loans and overdrafts	-	459,839
Other taxation and social security	25,819	6,375
Other creditors	-	42,341
	<u>25,819</u>	<u>509,108</u>

### 9. Financial commitments

The company is party to cross guarantees for the bank debts due on all companies within the CMG Holdco Limited Group. Total amounts due as at 31 October 2014 amounted to £60,243,034 (2013: £nil).

### 10. Share capital

	2014 £	2013 £
<b>Called up, allotted and fully paid</b>		
1 Ordinary share of £1 each	<u>1</u>	<u>1</u>

### 11. Profit and loss account

	£
At the beginning of the year	(51,344)
Profit for the year	<u>133,882</u>
At the end of the year	<u>82,538</u>

### 12. Reconciliation of movements in shareholder's funds

	2014 £	2013 £
Opening shareholder's deficit	(51,343)	(16,020)
Profit/(loss) for the year	<u>133,882</u>	<u>(35,323)</u>
Closing shareholder's funds/(deficit)	<u>82,539</u>	<u>(51,343)</u>

## **Starr Care Limited**

### **Notes to the financial statements (continued)** **Year ended 31 October 2014**

#### **13. Related party transactions**

The company is exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the CMG Holdco Limited group.

#### **14. Ultimate parent company and controlling party**

CMG Holdco Limited is the ultimate parent undertaking of the Company incorporated in England and Wales. The majority of the issued ordinary share capital of CMG Holdco Limited is held by Court Cavendish Limited.

CMG Holdco Limited is the smallest and largest group company into which the results were consolidated for the part of the year for which the company was a subsidiary of the CMG group. Copies of the financial statements of CMG Holdco Limited may be obtained from The Secretary, The Care House, Randalls Way, Leatherhead, Surrey, KT22 7TW.