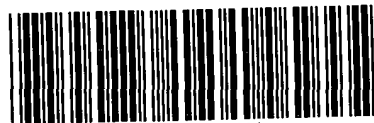


Virgin Care Chelmsford LLP

Annual report and financial statements
for the year ended 31 March 2015

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Information

Designated Members

Virgin Care Limited
Virgin Care Corporate Services Limited

LLP registered number

OC337209

Registered office

Lynton House, 7-12 Tavistock Square, London, WC1H 9LT

Members' report
for the year ended 31 March 2015

The members present their annual report together with the financial statements of Virgin Care Chelmsford LLP (the LLP) for the year ended 31 March 2015. The members confirm that the annual report and financial statements of the LLP comply with current statutory requirements and the requirements of the LLP's governing document.

Principal activities

The principal activity of the LLP continued to be the provision of NHS primary care services.

Designated Members

Virgin Care Limited and Virgin Care Corporate Services Limited were designated members of the LLP throughout the year.

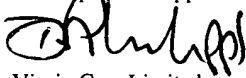
Policy on members' drawings and the subscription and repayment of capital in the LLP agreement

At the commencement of the business Virgin Care Limited has undertaken to invest a capital sum based on the number of patients registered with the practice members. The remainder of the members were not required to contribute capital to the LLP on incorporation. The capital invested by Virgin Care Limited was only repayable if the LLP is liquidated or wound up. On 10 June 2013 the LLP agreement was amended which resulted in the capital becoming repayable on demand.

The policy on member's drawings states that, following each financial year, once the financial statements have been prepared, the whole of the profit shall, after setting off any losses brought forward from any previous financial year be distributed 99% to Virgin Care Limited and 1% to Virgin Care Corporate Services Limited.

These accounts have been prepared in accordance with the provisions applicable to LLPs subject to the small LLPs regime.

This report was approved by the members on 17/12/15 and signed on their behalf by:



Virgin Care Limited
Designated member

Members' responsibilities statement
for the year ended 31 March 2015

The members are responsible for preparing the Members' Report and the financial statements in accordance with applicable law and regulations. The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under that law the members have elected to prepare 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 Regulation 8 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 the members 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 LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

Under Regulation 6 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, the members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that its financial statements comply with those regulations. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the LLP and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members, as a body, of Virgin Care Chelmsford LLP

We have audited the financial statements of Virgin Care Chelmsford LLP for the year ended 31 March 2015, set out on pages 6 to 15. 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 members (LLP), of the limited liability partnership (LLP), as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as required by Regulation 39 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditor

As explained more fully in the Members' Responsibilities Statement, set out on page 3, the members 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 website 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 affairs of the LLP as at 31 March 2015 and of its result 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, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Independent auditor's report to the members, as a body, of Virgin Care Chelmsford LLP

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, as applied to limited liability partnerships 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
- we have not received all the information and explanations we require for our audit; or
- the members were not entitled to prepare the financial statements in accordance with the small limited liability partnerships' regime.



Will Baker (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountant
8 Princes Parade
Liverpool
L3 1QH

Date: 18/12/2015

Profit and loss account
for the year ended 31 March 2015

	<i>Note</i>	2015 £	2014 £
Turnover		1,977,694	2,441,586
Cost of sales		<u>(1,723,770)</u>	<u>(1,732,060)</u>
Gross profit		253,924	709,526
Administrative expenses		<u>(124,861)</u>	<u>(255,731)</u>
Profit for the financial year before members' remuneration and profit share	2	<u>129,063</u>	<u>453,795</u>
Profit for the financial year before members' remuneration and profit share		129,063	453,795
Members' remuneration charged as an expense	3	<u>(129,063)</u>	<u>(453,795)</u>
Result for the financial year		<u>-</u>	<u>-</u>

The notes on pages 9 to 15 form part of these financial statements.

All amounts relate to continuing operations. There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and Loss account.

Registered number: OC337209

Balance sheet
as at 31 March 2015

	<i>Note</i>	£	2015 £	£	2014 £
Fixed assets					
Intangible assets	4		-		7,265
Tangible assets	5		617		10,498
			<u>617</u>		<u>17,763</u>
Current assets					
Debtors	6	2,488,015		2,088,444	
Cash at bank		24,449		58,522	
		<u>2,512,464</u>		<u>2,146,966</u>	
Creditors: amounts falling due within one year	7	(913,611)		(649,674)	
Net current assets			<u>1,598,853</u>		<u>1,497,292</u>
Total assets less current liabilities			<u>1,599,470</u>		<u>1,515,055</u>
Provisions for liabilities					
Other provisions	9		(175,000)		(175,000)
Net assets attributable to members			<u><u>1,424,470</u></u>		<u><u>1,340,055</u></u>
Represented by:					
Loans and other debts due to members					
Members' capital classified as a liability	8	241,502		241,502	
Other amounts	8	1,182,968		1,098,553	
			<u>1,424,470</u>		<u>1,340,055</u>
Total members' interests					
Amounts due from members (included in debtors)	6, 10		(2,455,092)		(1,775,092)
Loans and other debts due to members	10		<u>1,424,470</u>		<u>1,340,055</u>
			<u><u>(1,030,622)</u></u>		<u><u>(435,037)</u></u>

Balance sheet (continued)
as at 31 March 2015

The financial statements have been prepared in accordance with the provisions applicable to small LLPs within Part 15 of the Companies Act 2006 as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 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 members and were signed on their behalf on

17 December 2015



Virgin Care Limited
Designated member

The notes on pages 9 to 15 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) and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

1.2 Going concern

The financial statements of the LLP have been prepared on the going concern basis, which the members believe to be appropriate for the following reasons:

- The LLP is profit making and at the balance sheet date the LLP has a positive net members interests position;
- Managements' trading forecasts for the foreseeable future expect the LLP to continue to make profits and that the entity will return net positive cash flows; and
- The LLP has sufficient working capital to continue in operation for the foreseeable future.

Based on this undertaking the members believe that it remains appropriate to prepare the financial statements on a going concern basis.

1.3 Turnover

Turnover comprises revenue recognised by the LLP in respect of services supplied during the year, exclusive of Value Added Tax.

1.4 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.

1.5 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:

Leasehold Improvements	-	5 years straight line
Plant and equipment	-	3 years straight line

1.6 Tax provisions

The taxation payable on partnership profits is the personal liability of the members during the year. Consequently, neither partnership taxation nor related deferred taxation are accounted for in the financial statements.

Notes to the financial statements

1. Accounting policies (continued)

1.7 Members' remuneration charged as an expense

Members' remuneration charged as an expense comprises management charges payable to Virgin Care Limited for providing various support services to the LLP. These are calculated in accordance with the terms set out in the LLP agreement. In addition payments are made to practice members for attendance at meetings and for consultancy services. Members' remuneration also includes the automatic division of profits allocated to members in accordance with the LLP agreement.

1.8 Provisions

A provision is recognised in the balance sheet when the LLP has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation.

2. Profit for the financial year before members' remuneration and profit share

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the LLP	9,881	14,127
Auditor's remuneration	2,750	3,500
Amortisation of deferred research and development expenditure	7,265	10,897
	<u>19,896</u>	<u>28,524</u>

3. Members' remuneration charged as an expense

	2015 £	2014 £
Management charge payable to Virgin Care Limited under the terms of the LLP agreement	38,279	50,107
Automatic distribution of profits to members	90,784	403,688
	<u>129,063</u>	<u>453,795</u>

Notes to the financial statements

4. Intangible fixed assets

	<i>Procurement costs</i> £
Cost	
At 1 April 2014 and 31 March 2015	54,487
Amortisation	
At 1 April 2014	47,222
Charge for the year	7,265
At 31 March 2015	54,487
Net book value	
At 31 March 2015	-
At 31 March 2014	7,265

5. Tangible fixed assets

	<i>Leasehold Improvements</i> £	<i>Plant and equipment</i> £	<i>Total</i> £
Cost			
At 1 April 2014 and 31 March 2015	55,882	12,799	68,681
Depreciation			
At 1 April 2014	48,431	9,752	58,183
Charge for the year	7,451	2,430	9,881
At 31 March 2015	55,882	12,182	68,064
Net book value			
At 31 March 2015	-	617	617
At 31 March 2014	7,451	3,047	10,498

Notes to the financial statements

6. Debtors

	2015 £	2014 £
Trade debtors	3,528	302,719
Amounts owed by group undertakings	28,742	8,617
Prepayments and accrued income	653	2,016
Amounts due from members	2,455,092	1,775,092
	<u>2,488,015</u>	<u>2,088,444</u>

7. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	5,147	7,560
Amounts owed to group undertakings	66,586	39,183
Other taxation and social security	20,832	16,737
Accruals and deferred income	821,046	586,194
	<u>913,611</u>	<u>649,674</u>

Notes to the financial statements

8. Loans and other debts due to members within one year

	2015 £	2014 £
Members' capital classified as a liability under FRS25	241,502	241,502
Amounts due to members	1,182,968	1,098,553
	<u>1,424,470</u>	<u>1,340,055</u>

Members' capital classified as a liability under FRS 25 of £241,502 (2014 - £241,502) ranks after unsecured creditors in the event of a winding up. Amounts due to members within one year rank equally with debts due to ordinary creditors in the event of a winding up.

9. Provisions for liabilities

	<i>Onerous contract provisions</i> £
At 1 April 2014 and 31 March 2015	<u>175,000</u>

The onerous contract provision relates to a contract which is forecast to be loss making to the end of the contract life. The amount recognised represents the lower of the cost to exit the contracts and the unavoidable costs to fulfil the contract. The provision is not discounted.

Notes to the financial statements

10. Reconciliation of members' other interests and other loans and debts due to members

	<i>Loans and debts due to members less any amounts due from members in debtors £</i>	<i>Total 2015 £</i>	<i>Total 2014 £</i>
Amounts due to members b/fwd	1,340,056		
Amounts due from members b/fwd	(1,775,092)		
Balance at 1 April 2014	(435,036)	(435,036)	930,758
Members' interests: balance at 1 April 2014	-	-	930,758
Members' remuneration charged as an expense	129,063	129,063	453,795
Members' interests after profit for the year	(305,973)	(305,976)	1,384,553
Loans to members	(680,000)	(680,000)	(1,775,092)
Amounts withdrawn by members	(38,279)	(38,279)	(50,107)
Other movements	(6,370)	(6,370)	5,610
Balance at 31 March 2015	(1,030,622)	(1,030,622)	(435,036)
Amounts due to members	1,424,470		
Amounts due from members	(2,455,092)		
	(1,030,622)		

Notes to the financial statements

11. Related party transactions

The LLP's ultimate parent undertaking is Virgin Group Holdings Limited, whose principal shareholders are Sir Richard Branson and certain trusts, none of which individually has a controlling interest in Virgin Group Holdings Limited. The principal beneficiaries of those trusts are Sir Richard Branson and/or his immediate family. The shareholders of Virgin Group Holdings Limited have interests directly or indirectly in certain other companies which are considered to give rise to related party disclosures under Financial Reporting Standard No. 8 and the FRSSE.

As a wholly owned subsidiary of Virgin Healthcare Holdings Limited, the LLP has taken advantage of the exemption available in Financial Reporting Standard 8: Related Party Disclosures, which enables it to exclude disclosure of transactions and balances with Virgin Healthcare Holdings Limited and its wholly owned subsidiaries.

VH Doctors Limited is considered a related party as it is a subsidiary of the LLP's parent undertaking, Virgin Care Limited, by virtue of Virgin Care Limited having dominant influence over VH Doctors Limited.

Included in Amounts owed by Group Undertakings is a balance owed by VH Doctors Limited of £nil (2014: £8,617). Sales to VH Doctors Limited in 2015 were £23,528 (2014: £110,288).

Included in Amounts owed to Group Undertakings is a balance owed to VH Doctors Limited of £62,429 (2014: £39,183). Purchases from VH Doctors Limited in 2015 were £485,486 (2014: £488,209).

12. Ultimate parent undertaking and controlling party

The parent undertaking of Virgin Care Chelmsford LLP is Virgin Care Limited. The LLP is a subsidiary undertaking of Virgin Group Holdings Limited, a company incorporated in the British Virgin Islands.

The largest and smallest group in which the LLP and group results are consolidated are those for Virgin UK Holdings Limited and Virgin Holdings Limited respectively, companies both registered in England and Wales. Copies of the group accounts of Virgin Holdings Limited and Virgin UK Holdings Limited can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.