

Company Registration No. SC273400 (England and Wales)

**SWIIS FOSTER CARE SCOTLAND LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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COMPANIES HOUSE

**Tavistock House South**  
**Tavistock Square**  
**London**  
**WC1H 9LG**

**Rayner Essex LLP**  
**Chartered Accountants**

**SWIIS FOSTER CARE SCOTLAND LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**COMPANY INFORMATION**

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<b>Directors</b>	Mr G S Dadral	(Appointed 13 January 2016)
	Mrs K Dadral	(Appointed 13 January 2016)
	Mr T Notchell	

**Company number** SC273400

**Registered office** Glenelvan House Carnegie Campus South  
Enterprise Way  
Dunfermline  
Scotland  
KY11 8PY

**Auditors** Rayner Essex LLP  
Tavistock House South  
Tavistock Square  
London  
WC1H 9LG

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**SWIIS FOSTER CARE SCOTLAND LIMITED  
COMPANY LIMITED BY GUARANTEE  
STRATEGIC REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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The directors present the strategic report for the year ended 30 September 2016.

**Fair review of the business**

The Directors can report that the 2015-2016 financial year proved to be a period of change of growth and quality within Swiis Foster Care Scotland with placement numbers continuing to increase and our Care Inspectorate audit resulting once again in an overall 5 rating.

Swiis Foster Care Scotland continues to adopt a partnership approach with our Local Authority client group to provide the very highest standards of service to the children looked after and young people of Scotland. The standard of our service has been recognised by The Care Inspectorate who awarded Swiis a 5 inspection rating. Whilst the predominant focus of this service is one of providing the finest possible care to the children looked after and young people of Scotland, we also recognise our responsibility towards our internal customers, Swiis Foster Scotland was awarded a 'Gold' from Inspectors in People during this financial year following on from our 'Silver' award in the previous financial year.

Whilst the Directors recognise the existing and future market restrictions, it is perceived that these do not pertain risks or uncertainties other than the normal commercial risks associated with managing a business of this scale within the Independent Fostering Sector in Scotland.

**Principal risks and uncertainties**

**Principal risks and uncertainties**

The directors recognise the principal risks as being:

**Liquidity risk**

The directors manage liquidity risk by a combination of controls such as monitoring gearing levels and ensuring facilities are readily available for future use as required.

**Competition risk**

SWIIS Foster Care Scotland operates in a highly competitive marketplace. The directors are confident however of maintaining our market position through the provision of excellent service standards which are recognised throughout Scotland. SWIIS Foster Care Scotland is, in keeping with legislation a 'non for profit' business.

**The UK economy**

The directors recognise the economic pressures that are placed upon our sole client group (the Public Sector). We have responded to these pressures by realigning our service to deliver a wider placement offering.

**SWIIS FOSTER CARE SCOTLAND LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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**Development and performance**

The Directors are working within the paradigms of a strategic plan along with the Director of Swiis Foster Care Scotland which incorporates; internal financial management, the expansion of our Foster Care service offering and the securement of mid to long term contractual arrangements with our client group. The Directors are confident that Swiis Foster Care Scotland will increase its market share in the forthcoming financial year.

Whilst the Directors perceive that the economic pressures placed upon our client group will continue into the foreseeable future, the Directors are confident that due to the exceptional reputation of our fostering provision coupled with the relationships we maintain with our Local Authority clients, Swiis Foster Care Scotland is positioned for successful future, continuing to deliver the highest possible standards of care to the children looked after and young people of Scotland.

On behalf of the board



Mr T Notchell

**Director**

15 June 2017

**SWIIS FOSTER CARE SCOTLAND LIMITED  
COMPANY LIMITED BY GUARANTEE  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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The directors present their annual report and financial statements for the year ended 30 September 2016.

**Principal activities**

The principal activity of the company continued to be that of the provision of foster care throughout Scotland.

**Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr G S Dadral	(Appointed 13 January 2016)
Mrs K Dadral	(Appointed 13 January 2016)
Mr T Notchell	

**Results and dividends**

The results for the year are set out on page 6.

**Auditor**

The auditor, Rayner Essex LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

**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 judgements 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 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.

**Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



Mr T Notchell  
Director  
15 June 2017

**SWIIS FOSTER CARE SCOTLAND LIMITED  
COMPANY LIMITED BY GUARANTEE  
INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF SWIIS FOSTER CARE SCOTLAND LIMITED**

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We have audited the financial statements of Swiis Foster Care Scotland Limited for the year ended 30 September 2016 set out on pages 6 to 18. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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**

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 30 September 2016 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.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit, 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, and the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

**SWISS FOSTER CARE SCOTLAND LIMITED  
COMPANY LIMITED BY GUARANTEE  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

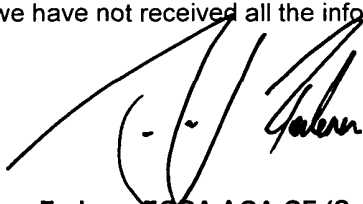
**TO THE MEMBERS OF SWISS FOSTER CARE SCOTLAND LIMITED**

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**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.



**Antony Federer FCA ACA CF (Senior Statutory Auditor)  
for and on behalf of Rayner Essex LLP**

23 June 2017

**Chartered Accountants  
Statutory Auditor**

Tavistock House South  
Tavistock Square  
London  
WC1H 9LG

**SWIIS FOSTER CARE SCOTLAND LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

	Notes	2016 £	2015 £
Turnover	3	12,640,532	11,309,207
Cost of sales		(6,624,596)	(5,925,669)
<b>Gross profit</b>		<b>6,015,936</b>	<b>5,383,538</b>
Administrative expenses		(5,701,365)	(5,263,754)
<b>Operating profit</b>	4	<b>314,571</b>	<b>119,784</b>
Interest receivable and similar income	7	75	-
<b>Profit before taxation</b>		<b>314,646</b>	<b>119,784</b>
Taxation	8	(64,742)	(30,355)
<b>Profit for the financial year</b>		<b>249,904</b>	<b>89,429</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

**SWIIS FOSTER CARE SCOTLAND LIMITED  
COMPANY LIMITED BY GUARANTEE  
BALANCE SHEET**

**AS AT 30 SEPTEMBER 2016**

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	9		40,879		57,286
<b>Current assets</b>					
Debtors	10	2,667,638		3,003,298	
Cash at bank and in hand		3,838		2,039	
		<u>2,671,476</u>		<u>3,005,337</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(1,574,205)</u>		<u>(2,174,377)</u>	
<b>Net current assets</b>			<u>1,097,271</u>		<u>830,960</u>
<b>Total assets less current liabilities</b>			<u><u>1,138,150</u></u>		<u><u>888,246</u></u>
<b>Capital and reserves</b>					
Profit and loss reserves			<u><u>1,138,150</u></u>		<u><u>888,246</u></u>

The financial statements were approved by the board of directors and authorised for issue on 15 June 2017 and are signed on its behalf by:

  
Mr T Notchell  
Director

Company Registration No. SC273400

**SWIIS FOSTER CARE SCOTLAND LIMITED  
COMPANY LIMITED BY GUARANTEE  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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	Notes	Profit and loss reserves £
<b>Balance at 1 October 2014</b>		798,817
<b>Year ended 30 September 2015:</b>		
Profit and total comprehensive income for the year		89,429
<b>Balance at 30 September 2015</b>		888,246
<b>Year ended 30 September 2016:</b>		
Profit and total comprehensive income for the year		249,904
<b>Balance at 30 September 2016</b>		1,138,150

**SWIIS FOSTER CARE SCOTLAND LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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**1 Accounting policies**

**Company information**

Swiis Foster Care Scotland Limited is a company limited by shares incorporated in England and Wales. The registered office is Glenelvan House Carnegie Campus South, Enterprise Way, Dunfermline, Scotland, KY11 8PY.

**1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 September 2016 are the first financial statements of Swiis Foster Care Scotland Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 October 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of SWIIS International Limited. These consolidated financial statements are available from its registered office, Connaught House, 80-81 Wimpole Street, London, W1G 9RE.

**1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

**SWIIS FOSTER CARE SCOTLAND LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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**1 Accounting policies**

**(Continued)**

**1.3 Turnover**

Revenue is measured at the fair value of the consideration received or receivable net of sales tax, trade discounts and customer returns and is recognised at the point a child placement carer has provided a period of care.

**1.4 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Leasehold	33.3% straight line
Fixtures, fittings & equipment	33.3% straight line
Computer equipment	33.3% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

**1.5 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

**1.6 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.7 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**SWIIS FOSTER CARE SCOTLAND LIMITED  
COMPANY LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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**1 Accounting policies**

**(Continued)**

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Other financial assets***

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**SWIIS FOSTER CARE SCOTLAND LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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**1 Accounting policies**

**(Continued)**

***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

**1.8 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**1.9 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

**SWIIS FOSTER CARE SCOTLAND LIMITED  
COMPANY LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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**1 Accounting policies**

**(Continued)**

***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1.10 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.11 Retirement benefits**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable in accordance with the rules of the scheme.

**1.12 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

**2 Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**SWIIS FOSTER CARE SCOTLAND LIMITED  
COMPANY LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

**3 Turnover and other revenue**

An analysis of the company's turnover is as follows:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>		
Sales	12,640,532	11,309,207
	<u>          </u>	<u>          </u>
<b>Other significant revenue</b>		
Interest income	75	-
	<u>          </u>	<u>          </u>

**Turnover analysed by geographical market**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
United Kingdom	12,640,532	11,309,207
	<u>          </u>	<u>          </u>

**4 Operating profit**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	10,400	10,400
Depreciation of owned tangible fixed assets	30,028	38,943
Operating lease charges	257,978	335,646
	<u>          </u>	<u>          </u>

**5 Employees**

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

	<b>2016</b>	<b>2015</b>
	<b>Number</b>	<b>Number</b>
Administrative staff	69	76
	<u>          </u>	<u>          </u>

**SWIIS FOSTER CARE SCOTLAND LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

<b>5</b>	<b>Employees</b>	<b>(Continued)</b>	
	Their aggregate remuneration comprised:		
		<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
	Wages and salaries	2,077,459	2,295,814
	Social security costs	216,299	239,952
	Pension costs	148,583	156,975
		<u>2,442,341</u>	<u>2,692,741</u>
<b>6</b>	<b>Directors' remuneration</b>		
		<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
	Company pension contributions to defined contribution schemes	4,200	4,092
		<u>4,200</u>	<u>4,092</u>
<b>7</b>	<b>Interest receivable and similar income</b>		
		<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
	Interest income		
	Interest on bank deposits	75	-
		<u>75</u>	<u>-</u>
<b>8</b>	<b>Taxation</b>		
		<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
	Current tax		
	UK corporation tax on profits for the current period	64,742	30,355
		<u>64,742</u>	<u>30,355</u>

**SWIIS FOSTER CARE SCOTLAND LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

**8 Taxation**

**(Continued)**

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Profit before taxation	314,646	119,784
	<u>          </u>	<u>          </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.00%)	62,929	23,957
Tax effect of expenses that are not deductible in determining taxable profit	9,144	2,443
Permanent capital allowances in excess of depreciation	-	7,789
Depreciation on assets not qualifying for tax allowances	6,006	(4,297)
Amortisation on assets not qualifying for tax allowances	(4,195)	-
Other adjustments	(9,142)	463
	<u>          </u>	<u>          </u>
Taxation for the year	64,742	30,355
	<u>          </u>	<u>          </u>

**9 Tangible fixed assets**

	<b>Land and buildings Leasehold</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Computer equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 1 October 2015	3,491	165,397	97,961	266,849
Additions	-	-	13,621	13,621
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 30 September 2016	3,491	165,397	111,582	280,470
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation and impairment</b>				
At 1 October 2015	1,821	133,780	73,962	209,563
Depreciation charged in the year	911	14,972	14,145	30,028
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 30 September 2016	2,732	148,752	88,107	239,591
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount</b>				
At 30 September 2016	759	16,645	23,475	40,879
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 30 September 2015	1,670	31,617	23,999	57,286
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**SWIIS FOSTER CARE SCOTLAND LIMITED**  
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**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

**10 Debtors**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	1,031,445	1,231,789
Amounts due from fellow group undertakings	1,551,527	1,656,641
Other debtors	5,000	4,700
Prepayments and accrued income	79,666	110,168
	<u>2,667,638</u>	<u>3,003,298</u>

**11 Creditors: amounts falling due within one year**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
	<b>Notes</b>	
Bank loans and overdrafts	<b>12</b>	19,867
Trade creditors		70,540
Amounts due to group undertakings		1,325,121
Corporation tax		60,929
Other creditors		539,772
Accruals and deferred income		158,148
	<u>1,574,205</u>	<u>2,174,377</u>

During the year the company changed bankers from Barclays Bank Plc to HSBC Plc. As a result, a new charge was registered on 22.06.16 with HSBC Bank Plc that contains a fixed and floating charge over the assets of the company. The charge cross guarantees the liabilities of each company across the group.

Included other creditors is £955,165 (2015: £427,533) representing amounts advanced against trade debtors. This invoice discounting facility is secured by a charge registered 25.07.16 with HSBC Invoice Finance (UK) Limited. These advances are secured by a fixed and floating charge over all assets of the company and a fixed charge over the debtors of the company.

**12 Loans and overdrafts**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Bank overdrafts	9,633	19,867
	<u>9,633</u>	<u>19,867</u>

Payable within one year	9,633	19,867
	<u>9,633</u>	<u>19,867</u>

**SWIIS FOSTER CARE SCOTLAND LIMITED  
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
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**13 Retirement benefit schemes**

**Defined contribution schemes**

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £148,583 (2015 - £156,975).

**14 Operating lease commitments**

**Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 £	2015 £
Between two and five years	240,700	310,100
	<u>240,700</u>	<u>310,100</u>

**15 Related party transactions**

The company has taken advantage of the exemption available in accordance with FRS 102 section 33.1A 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the company and the parties to those transactions are wholly owned subsidiary undertakings of the group.

**16 Controlling party**

The parent and controlling company is SWIIS International Limited, a company incorporated in England and Wales, which prepares consolidated financial statements and these are available from the Registrar of Companies.

The ultimate controlling parties were G S Dadral and K Dadral throughout the current and previous year.

**17 Company limited by guarantee**

The company has no called up share capital. It is limited by guarantee of the member, Swiis International Limited, for such amounts as may be required, not exceeding one pound per member.