Alpha Plus Fostering Limited

Directors' report and financial statements

Registered number 6019106

For the year ended 31 March 2015

Contents

Directors' report	1
Independent Auditors' report to the members of Alpha Plus Fostering Limited	3
Profit and Loss Account	5
Balance Sheet	6
Notes to the financial statements	7

Directors' report

The directors present their directors' report and audited financial statements of Alpha Plus Fostering Limited for the year ended 31 March 2015. This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

Principal activities

The principal activity of the company is that of recruiting, training and supervising foster carers to offer safe and secure placements for children.

Definitions

Throughout this report and the financial statements the term "Company" refers to Alpha Plus Fostering Limited and the term "Group" refers to the group of companies headed by Belton Associates (Group Holdings) Limited of which the Company is a subsidiary undertaking.

Business review

The results for the Company for the year show a profit on ordinary activities before taxation of £849k *(year ended 31 March 2014: £903k)* on turnover of £4,005k *(year ended 31 March 2014: £4,123k)*. The Company's trading result was in line with management expectation.

The Company is a subsidiary of the Belton Associates (Group Holdings) Limited Group and is managed as one of the regions within that Group. A detailed business review discussing the objectives and strategy, markets and regulatory issues and risks and uncertainties pertaining to the whole group can be viewed on page 1 of the strategic report of Belton Associates (Group Holdings) Limited, which does not form part of this report.

The principal Key Performance Indicator used in managing the Company is the number of placements.

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

I J Anderson
A Holt (appointed 21st August 2014)

The Group purchased and maintained throughout the year directors' and officers' liability insurance in respect of its directors.

Proposed dividend

The directors do not recommend the payment of a dividend *(2014: £nil)*.

Political and charitable donations

The Company made no political or charitable donations during the year *(2014: £nil)*.

Directors' report *(continued)*

Statement of directors' responsibilities

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 prepared 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 of information to auditors

In accordance with Section 418, directors' reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that:

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

On behalf of the board

A Holt
Director

Frays Court
71 Cowley Road
Uxbridge
Middlesex
UB8 2AE
8 July 2015

Independent auditors' report to the members of Alpha Plus Fostering Limited

Report on the financial statements

Our opinion

In our opinion, Alpha Plus Fostering Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2015 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.

What we have audited

Alpha Plus Fostering Limited's financial statements comprise:

- the balance sheet as at 31 March 2015;
- the profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 2, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Directors' report and financial statements 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.

Terri Coughlan

Terri Coughlan (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Uxbridge
8 July 2015

Profit and Loss Account
for the year ended 31 March 2015

	Note	Year ended 31 March 2015 £000	Year ended 31 March 2014 £000
Turnover	*2*	**4,005**	4,123
Cost of sales		**(2,370)**	(2,457)
Gross profit		**1,635**	1,666
Administrative expenses		**(786)**	(763)
Operating profit	*3*	**849**	903
Profit on ordinary activities before taxation		**849**	903
Tax on profit on ordinary activities	*5*	**(242)**	(3)
Profit for the financial year	*11*	**607**	900

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

There are no recognised gains and losses other than those passing through the profit and loss account.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial years stated above and their historical cost equivalents.

Balance Sheet
as at 31 March 2015

	Note	31 March 2015		31 March 2014	
		£000	£000	£000	£000
Fixed assets					
Tangible assets	6		6		15
Current assets					
Debtors	7	3,647		2,836	
Cash at bank and in hand		530		736	
		4,177		3,572	
Creditors: amounts falling due within one year	8	(77)		(88)	
Net current assets			4,100		3,484
Total assets less current liabilities			4,106		3,499
Provisions for liabilities			-		-
Net assets			4,106		3,499
Capital and reserves					
Called up share capital	10		1		1
Profit and loss account	11		4,105		3,498
Total shareholders' funds	12		4,106		3,499

These financial statements on pages 5 to 13 were approved by the board of directors on 8 July 2015 and were signed on its behalf by:

A Holt
Director

Registered number: *6019106*

Notes to the financial statements

1 Accounting policies

Basis of preparation

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements. The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom and under the historical cost accounting rules and in accordance with the Companies Act 2006. These financial statements have been prepared on the going concern basis.

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As the Company is a wholly owned subsidiary of NFAP Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Belton Associates (Group Holdings) Limited, of which NFAP Limited is a wholly owned subsidiary, can be obtained from the address given in note 14.

Turnover

Turnover represents amounts receivable for services net of VAT. Turnover is recognised on the basis of the daily placements made with a full day's revenue recognised for every night a placement is with a foster carer. Turnover invoiced in advance of the period to which it relates is included in deferred income.

Fixed assets and depreciation

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Fixtures, fittings and equipment - 25% reducing balance basis

Post-retirement benefits

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Taxation

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Taxation(continued)

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3 Operating profit

	Year ended 31 March 2015	Year ended 31 March 2014
	£000	£000
Operating profit is stated after charging:		
Depreciation	**9**	4

Auditors' remuneration:

	Year ended 31 March 2015	Year ended 31 March 2014
	£000	£000
Audit of these financial statements	**0**	0

The audit fees for 2015 (£4,800) and 2014 (£4,600) were borne by Belton Associates Limited.

4 Staff numbers and costs

The average monthly number of persons employed by the Company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2015	2014
Administration	**14**	14
	14	14

Notes to the financial statements *(continued)*

4 Staff numbers and costs (continued)

The aggregate payroll costs of these persons were as follows:

	Year ended 31 March 2015 £000	Year ended 31 March 2014 £000
Wages and salaries	**439**	409
Social security costs	**43**	42
Other pension costs	**39**	44
	521	495

The Directors were employed and their remuneration costs borne by Belton Associates Limited, another group company. No charge has been made to the company as in the opinion of the directors it is not possible to determine with reasonable accuracy the split by company. The total emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of the ultimate parent company Belton Associates (Group Holdings Limited).

5 Tax on profit on ordinary activities

Analysis of charge in year

	Year ended 31 March 2015 £000	Year ended 31 March 2014 £000
UK corporation tax		
Current tax on income for the year	**3**	3
Adjustments in respect of prior periods	**240**	-
Deferred tax (see note 9)		
(Reversal) / origination of timing differences	**(1)**	-
Tax on profit on ordinary activities	**242**	3

Notes to the financial statements *(continued)*

5 Tax on profit on ordinary activities (continued)

Factors affecting current and future tax charges

Changes to the UK Corporation tax rates were substantively enacted as part of the Finance Bill 2013 on 2 July 2013. These include reductions to the main rate to reduce the rate to 21% from 1 April 2014 and to 20% from 1 April 2015. Deferred taxes at the balance sheet date have been measured using these enacted rates and reflected in these financial statements.

The current tax charge for the year is higher *(2014: lower)* than the standard rate of corporation tax in the UK, 21% *(2014: 20%)*. The differences are explained below.

	Year ended 31 March 2015	Year ended 31 March 2014
	£000	£000
Current tax reconciliation		
Profit on ordinary activities before taxation	**849**	903
Current tax at 21% / *(2014: 20%)*	**178**	181
Effects of:		
Group Relief	**(180)**	178
Capital allowances for year in excess of depreciation	**1**	-
Expenses not deductible for tax purposes	**4**	-
Adjustments in respect of prior periods	**240**	-
Current tax charge	**243**	3

Notes to the financial statements *(continued)*

6 Tangible assets

	Fixtures, fittings And Equipment £000
Cost	
At 1 April 2014	95
Additions	-
At 31 March 2015	95
Accumulated depreciation	
At 1 April 2014	80
Charge for the year	9
At 31 March 2015	89
Net book value	
At 31 March 2015	**6**
At 31 March 2014	15

7 Debtors

	2015 £000	2014 £000
Trade debtors	**166**	110
Amounts owed by group undertakings	**3,458**	2,708
Other debtors	**-**	1
Deferred tax asset (note 9)	**1**	-
Prepayments and accrued income	**22**	17
	3,647	2,836

The amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Notes to the financial statements (continued)

8 Creditors: amounts falling due within one year

	2015 £000	2014 £000
Trade creditors	35	28
Corporation tax	3	3
Other taxation and social security	10	13
Other creditors	3	4
Accruals and deferred income	26	40
	77	88

9 Deferred Tax

	£000
At 1 April 2014	-
Credit to profit and loss account for the financial year	1
At 31 March 2015	1

The deferred tax all arose due to accelerated capital allowances.

10 Called up share capital

	2015 £	2014 £
Authorised		
1000 *(2014: 1000)* Ordinary shares of £1 (2014: 1) each	1,000	1,000
Allotted and fully paid		
900 *(2014: 900)* Ordinary shares of £1 (2014: 1) each	900	900

11 Reserves

	Profit and loss account £000
At 1 April 2014	3,498
Profit for the financial year	607
At 31 March 2015	4,105

Notes to the financial statements *(continued)*

12 Reconciliation of movements in shareholders' funds

	2015 £000	2014 £000
Profit for the financial year	**607**	900
Net addition to shareholders' funds	**607**	900
Opening shareholders' funds	**3,499**	2,599
Closing shareholders' funds	**4,106**	3,499

13 Contingent liabilities

The Company is party to a debenture to guarantee the loans of all Group companies. The amounts outstanding at the year end for the full group were:

	2015 £000	2014 £000
Bank loans - Senior Debt	**72,466**	**46,813**
Loan stock	**43,915**	**66,672**
Mezzanine finance	**10,000**	**10,000**
	126,381	**123,485**

14 Ultimate parent company, ultimate controlling party and related party transactions

The Company is a subsidiary undertaking of NFAP Limited which in turn is a subsidiary of NFA Partnerships Limited which in turn is a subsidiary of Belton Associates (Group Holdings) Limited, the ultimate parent company incorporated in England and Wales and registered in Great Britain. Graphite Capital Partners VII have an ownership of 75.33% of Belton Associates (Group Holdings) Limited's equity share capital. As the majority of the equity shareholding is held by Graphite Capital Partners VII, a series of linked limited liability partnership funds with none of the individual funds holding an overall controlling interest, the directors do not believe there to be an ultimate controlling party. Details of transactions between the Group and Graphite Capital Partners VII and the Group and its directors are disclosed in the consolidated financial statements of Belton Associates (Group Holdings) Limited, which does not form part of these financial statements.

The only Group in which the results of the company are consolidated is that headed by Belton Associates (Group Holdings) Limited. The consolidated financial statements of this Group can be obtained from Frays Court, 71 Cowley Road, Uxbridge, Middlesex, UB8 2AE.

15 Post balance sheet event

On 24 April 2015, the entire share capital of the ultimate parent company Belton Associates (Group Holdings) Limited was acquired by Spring Bidco Limited. Spring Bidco Limited is ultimately owned by Stirling Square Capital Partners LLP.