

**RURAL FOSTERCARE LIMITED (FORMERLY
CAPSTONE
FOSTER CARE (SOUTH WEST) LIMITED)
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2009**



Company Registration Number 06410274

Tenon Limited
Accountants and Business Advisers
Highfield Court
Toilgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY

**RURAL FOSTERCARE LIMITED (FORMERLY CAPSTONE
FOSTER CARE (SOUTH WEST) LIMITED)**

ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2009

| CONTENTS | PAGES |
|---|---------------|
| Independent auditor's report to the company | 1 |
| Abbreviated balance sheet | 2 |
| Notes to the abbreviated accounts | 3 to 5 |

**RURAL FOSTERCARE LIMITED (FORMERLY CAPSTONE
FOSTER CARE (SOUTH WEST) LIMITED)**

**INDEPENDENT AUDITOR'S REPORT TO RURAL FOSTERCARE
LIMITED (FORMERLY CAPSTONE FOSTER CARE (SOUTH WEST)
LIMITED)**

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of Rural FosterCare Limited (Formerly Capstone Foster Care (South West) Limited) for the year ended 31 March 2009 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

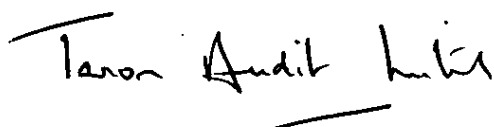
Respective responsibilities of directors and auditor

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.



Tenon Audit Limited
Registered Auditor
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY

Date:- 29 September 2009

**RURAL FOSTERCARE LIMITED (FORMERLY CAPSTONE
FOSTER CARE (SOUTH WEST) LIMITED)**

ABBREVIATED BALANCE SHEET

31 MARCH 2009

| | Note | 2009 £ | 2008 £ |
|---------------------------------|------|------------------|------------------|
| Fixed assets | | | |
| Investments | 2 | 1,600,275 | 3,200,000 |
| Current assets | | | |
| Debtors | 3 | 640,536 | - |
| Total assets | | <u>2,240,811</u> | <u>3,200,000</u> |
| Capital and reserves | | | |
| Called-up share capital | 4 | 3,200,000 | 3,200,000 |
| Profit and loss account | | (959,189) | - |
| Shareholders' funds | | <u>2,240,811</u> | <u>3,200,000</u> |

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors and authorised for issue on 29 September 2009 and are signed on their behalf by:



R J Compton-Burnett
Director

The notes on pages 3 to 5 form part of these abbreviated accounts.

**RURAL FOSTERCARE LIMITED (FORMERLY CAPSTONE
FOSTER CARE (SOUTH WEST) LIMITED)**

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2009

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Cash flow statement

The company has adopted the Financial Reporting Standard For Smaller Entities (effective January 2007) and is consequently exempt from the requirement to include a cash flow statement in the financial statements.

Financial instruments

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement.

Financial instruments which are assets are stated at cost less any provision for impairment. Financial liabilities are stated at principal capital amounts outstanding at the period end. Issue costs relating to financial liabilities are deducted from the outstanding balance and are amortised over the period to the due date for repayment of the financial liability.

Investments

Investments are stated at cost, being purchase price, less any provision for permanent diminution in value.

Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertakings comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

2. Fixed assets

| | Investments |
|-----------------------------------|--------------------|
| | £ |
| Cost | |
| At 1 April 2008 and 31 March 2009 | 3,200,000 |
| Amounts written off | |
| Written off in year | 1,599,725 |
| At 31 March 2009 | 1,599,725 |
| Net book value | |
| At 31 March 2009 | 1,600,275 |
| At 31 March 2008 | 3,200,000 |

**RURAL FOSTERCARE LIMITED (FORMERLY CAPSTONE
FOSTER CARE (SOUTH WEST) LIMITED)**

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2009

2. Fixed assets (continued)

The company owns 100% of the issued ordinary share capital of the companies listed below:

Aggregate capital and reserves

| | 2009 £ | 2008 £ |
|---|-----------|-----------|
| Capstone Foster Care (South West) Limited | 276,234 | 116,485 |
| Woodside (Fostercare) Limited | 275 | 548,399 |

Profit and (loss) for the year

| | | |
|---|---------|----------|
| Capstone Foster Care (South West) Limited | 204,155 | (94,597) |
| Woodside (Fostercare) Limited | 92,413 | 195,879 |

The principal activity of both subsidiaries was the placement of children under the care of local authorities throughout the UK with approved foster carers. All subsidiaries were registered in England and Wales. On 8 December 2008, Woodside (Fostercare) Limited transferred its trade and assets into Capstone Foster Care (South West) Limited, and ceased trading.

3. Debtors

Debtors include amounts of £640,536 (2008 - £Nil) falling due after more than one year.

4. Share capital

Authorised share capital:

| | 2009 £ | 2008 £ |
|--|------------------|------------------|
| 4,000,000 Ordinary shares of £1 each | - | 4,000,000 |
| 3,576,000 A Ordinary shares of £1 each | 3,576,000 | - |
| 424,000 B Ordinary shares of £1 each | 424,000 | - |
| | <u>4,000,000</u> | <u>4,000,000</u> |

Allotted, called up and fully paid:

| | 2009 No | £ | 2008 No | £ |
|------------------------------|------------------|------------------|------------------|------------------|
| Ordinary shares of £1 each | - | - | 3,200,000 | 3,200,000 |
| A Ordinary shares of £1 each | 2,976,000 | 2,976,000 | - | - |
| B Ordinary shares of £1 each | 224,000 | 224,000 | - | - |
| | <u>3,200,000</u> | <u>3,200,000</u> | <u>3,200,000</u> | <u>3,200,000</u> |

On 25 March 2009, the company converted its 3,200,000 £1 Ordinary shares into 2,976,000 £1 A Ordinary shares and 224,000 £1 B Ordinary shares. All shares rank pari passu.

**RURAL FOSTERCARE LIMITED (FORMERLY CAPSTONE
FOSTER CARE (SOUTH WEST) LIMITED)**

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2009

5. Immediate and ultimate parent company

The immediate and ultimate parent company is Capstone Foster Care Limited, a company incorporated in England and Wales. Copies of Capstone Foster Care Limited's financial statements can be obtained from its registered office, Beech House, Wootton St Lawrence, Basingstoke, Hampshire, RG23 8PE.

The ultimate controlling party is the board of directors of Capstone Foster Care Limited.