

Virgin Care Corporate Services Limited

Annual Report and Financial Statements

For the Year Ended 31 March 2017

THURSDAY



A6LQ13OX

A23

21/12/2017

#135

COMPANIES HOUSE

Virgin Care Corporate Services Limited

Contents

	Page
Company Information	1
Directors' Report	2 - 3
Statement of Directors' Responsibilities in respect of the Directors' Report and the financial statements	4
Independent Auditor's Report to the members of Virgin Care Corporate Services Limited	5 - 6
Profit and Loss Account and Other Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 - 16

Virgin Care Corporate Services Limited

Company Information

Directors	E B Johnson V M McVey
Registered number	06565563
Registered office	Lynton House 7-12 Tavistock Square London WC1H 9LT
Independent auditor	KPMG LLP Chartered Accountants 8 Princes Parade Liverpool L3 1QH

Virgin Care Corporate Services Limited

**Directors' Report
For the Year Ended 31 March 2017**

The directors present their report and the financial statements for the year ended 31 March 2017.

The Company has met the requirements in the Companies Act 2006 to obtain the exemption provided, based on its size, from the presentation of a strategic report.

Principal activity

The principal activity during the year was as a holding company which holds minority interests in the limited liability partnerships which are subsidiaries of the Company's parent undertaking, Virgin Care Limited.

A number of the limited liability partnerships are profitable and the directors expect further future income from the limited liability partnership investments.

Results and dividends

The profit for the year, after taxation, amounted to £41,089 (2016 - £75,698).

The directors do not recommend the payment of a dividend for 2017 (2016 - £nil). The retained profit for the financial year of £41,089 (2016 - £75,698) has been transferred to reserves.

Directors

The directors who served during the year were:

E B Johnson
V M McVey

Political contributions

The Company made no political or charitable donations, nor incurred any political expenditure in the year (2016 - £nil).

Principal risks and uncertainties

Virgin Care operates a Risk Management Framework in order to manage the risks and uncertainties of the business.

In respect of Virgin Care Corporate Services Limited there are not considered to be any significant risks requiring active management.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Virgin Care Corporate Services Limited

**Directors' Report (continued)
For the Year Ended 31 March 2017**

Auditor

The auditor, KPMG LLP, will be proposed for reappointment in accordance with section 487 of the Companies Act 2006.

This report was approved by the board on 14 DECEMBER 2017 and signed on its behalf.

V M McVey

V M McVey
Director

Virgin Care Corporate Services Limited

**Statement of Directors' Responsibilities in respect of the Directors' Report and the financial statements
For the Year Ended 31 March 2017**

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Virgin Care Corporate Services Limited

Independent Auditor's Report to the Members of Virgin Care Corporate Services Limited

We have audited the financial statements of Virgin Care Corporate Services Limited for the year ended 31 March 2017, set out on pages 7 to 16. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

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 4, 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

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 the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK 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 the information given in the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

Virgin Care Corporate Services Limited

Independent Auditor's Report to the Members of Virgin Care Corporate Services Limited (continued)

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. or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Will Baker (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
8 Princes Parade
Liverpool
L3 1QH
Date: 19 December 2017

Virgin Care Corporate Services Limited

**Profit and Loss Account and Other Comprehensive Income
For the Year Ended 31 March 2017**

	Note	2017 £	2016 £
Administrative expenses		(875)	(750)
Operating loss		(875)	(750)
Income from shares in group undertakings		41,964	76,448
Profit before tax		41,089	75,698
Profit for the financial year and total comprehensive income		41,089	75,698

The notes on pages 10 to 16 form part of these financial statements.

Virgin Care Corporate Services Limited
Registered number: 06565563

Balance Sheet
As at 31 March 2017

		2017	2017	2016	2016
	Note	£	£	£	£
Current assets					
Debtors	6	240,820		198,856	
Creditors: amounts falling due within one year	7	(2,725)		(1,850)	
Net current assets			238,095		197,006
Total assets less current liabilities			238,095		197,006
Net assets			238,095		197,006
Capital and reserves					
Called up share capital	8		1		1
Retained earnings			238,094		197,005
Shareholders' funds			238,095		197,006

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 DECEMBER 2017.

V. McVey

V M McVey

Director

The notes on pages 10 to 16 form part of these financial statements.

Virgin Care Corporate Services Limited

**Statement of Changes in Equity
For the Year Ended 31 March 2017**

	Called up share capital	Retained earnings	Total equity
	£	£	£
At 1 April 2016	1	197,005	197,006
Comprehensive income for the year			
Profit for the year	-	41,089	41,089
Total comprehensive income for the year	-	41,089	41,089
At 31 March 2017	1	238,094	238,095

**Statement of Changes in Equity
For the Year Ended 31 March 2016**

	Called up share capital	Retained earnings	Total equity
	£	£	£
At 1 April 2015	1	121,307	121,308
Comprehensive income for the year			
Profit for the year	-	75,698	75,698
Total comprehensive income for the year	-	75,698	75,698
At 31 March 2016	1	197,005	197,006

The notes on pages 10 to 16 form part of these financial statements.

Virgin Care Corporate Services Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2017**

1. Accounting policies

1.1 Basis of preparation of financial statements

Virgin Care Corporate Services Limited ("the Company") is a company incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101"). The amendments to FRS101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but make amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate controlling entity within the UK, Virgin Holdings Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Virgin Holdings Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

In these financial statements, the company has applied exemptions available under FRS101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investments;
- ~~Disclosures in respect of transactions with wholly owned subsidiaries;~~
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the company.

As the consolidated financial statements of Virgin Holdings Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Disclosures required by IFRS 7 Financial Instrument Disclosures.

The Company proposes to continue to adopt the reduced disclosure framework of FRS101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.2 Measurement convention

The financial statements are prepared on the historical cost basis.

Virgin Care Corporate Services Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2017**

1. Accounting policies (continued)

1.3 Going concern

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reason. The Company has access to sufficient cash to continue to support the business over at least the next 12 months, based on forecasts and projections, taking account of reasonably possible changes in trading performance. As the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future they continue to adopt the going concern basis in preparing the annual financial statements.

The financial statements do not include any adjustments that would results from the basis of preparation being inappropriate.

1.4 Income from interest in group undertakings

The income from the Company's 1% investment in the Limited Liability Partnerships which are subsidiaries of Virgin Care Limited, the company's parent undertaking, is recognised based on the Company's share of profits available for distribution for the year ended 31 March 2017.

1.5 Non-derivative financial instruments

Non-derivative financial instruments comprise investment in trade and other debtors, cash and cash equivalents, and trade and other creditors.

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

1.6 Impairment of financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Virgin Care Corporate Services Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2017**

1. Accounting policies (continued)

1.7 Current and deferred taxation

Tax is recognised in the Profit and Loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

- Deferred tax balances are recognised in respect of all temporary differences that have originated but not reversed by the Balance Sheet date, except that:
- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

~~A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.~~

2. Judgments in applying accounting policies and key sources of estimation uncertainty

The Directors do not believe there are any key sources of estimation uncertainty at the balance sheet date that may cause material adjustments to the carrying amounts of assets or liabilities within the next financial year.

The Directors do not believe there are any critical accounting judgements in applying the Company's accounting policies.

Virgin Care Corporate Services Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2017**

3. Auditors' remuneration

The company paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided to the Company:

	2017 £	2016 £
Fees for the audit of the Company	875	750
	<u>875</u>	<u>750</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

4. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2016 - £NIL).

5. Taxation

The current tax charge for the year ended 31 March 2017 is £nil (2016: £nil). The deferred tax for the year ended 31 March 2017 is £nil (2016: £nil).

	2017 £	2016 £
Total current tax	<u>-</u>	<u>-</u>
Total deferred tax	<u>-</u>	<u>-</u>
Total tax	<u><u>-</u></u>	<u><u>-</u></u>

Virgin Care Corporate Services Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2017**

5. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2016 - lower than) the standard rate of corporation tax in the UK of 20% (2016 - 20%). The differences are explained below:

Reconciliation of effective tax rate

	2017	2016
	£	£
Profit for the year	41,089	75,698
Total tax expense	-	-
Profit excluding tax charge	41,089	75,698
Tax using UK corporation tax rate of 20% (2016 - 20%)	8,218	15,140
Amounts (charged)/credited directly to STRGL	-	15,939
Group income	-	(15,290)
Group relief surrendered/(claimed)	(8,218)	(15,789)
Total tax expense	-	-

Virgin Care Corporate Services Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2017**

5. Taxation (continued)

Factors that may affect future tax charges

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. An additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the group's future current tax charge accordingly. The deferred tax asset at 31 March 2017 has been calculated based on the rate of 17% substantively enacted at the balance sheet date.

6. Debtors

	2017 £	2016 £
Other debtors	1	1
Accrued income	240,819	198,855
	<u>240,820</u>	<u>198,856</u>

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Accruals and deferred income	2,725	1,850
	<u>2,725</u>	<u>1,850</u>

8. Share capital

	2017 £	2016 £
Allotted, called up and partly paid		
1 ordinary share of £1	<u>1</u>	<u>1</u>

Virgin Care Corporate Services Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2017**

9. Ultimate parent undertaking and controlling party

The parent undertaking of Virgin Care Corporate Services is Virgin Care Limited. The Company 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 Company and group results are consolidated are those for Virgin Holdings Limited and Virgin UK 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.