

Company Registration No. 03315548 (England and Wales)

SHAW HEALTHCARE (MANAGED SERVICES) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017



SHAW HEALTHCARE (MANAGED SERVICES) LIMITED

COMPANY INFORMATION

Directors	Mr R S Brown Ms S D Hughes Mr P J Nixey Mr A Thomas	(Appointed 1 February 2017)
Company number	03315548	
Registered office	1 Links Court Links Business Park Fortran Road St Mellons Cardiff South Glamorgan CF3 0LT	
Auditor	Deloitte LLP Cardiff United Kingdom	
Bankers	Allied Irish Bank 2 Callaghan Square Cardiff CF10 5AZ	
Solicitors	Blake Morgan Solicitors One Central Square Park Place Cardiff CF10 1FS	

SHAW HEALTHCARE (MANAGED SERVICES) LIMITED

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SHAW HEALTHCARE (MANAGED SERVICES) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2017

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

Principal activities

The company's principal activity during the year was that of providing management services.

Directors

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

Mr R S Brown

Ms S D Hughes

Mr P J Nixey

Mr A Thomas

Mr A C Savery

(Appointed 1 February 2017)

(Resigned 1 February 2017)

Auditor

Deloitte LLP have indicated their willingness to continue in office as the company's auditor. A resolution is in place to dispense with the requirement to hold Annual General Meetings.

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.

Taxation status

The company is a close company under the provisions of the Taxes Act 1988.

Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Further details regarding the adoption of the going concern basis can be found in note 1 of the financial statements.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Mr P J Nixey

Director

28 September 2017

SHAW HEALTHCARE (MANAGED SERVICES) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2017

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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

SHAW HEALTHCARE (MANAGED SERVICES) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHAW HEALTHCARE (MANAGED SERVICES) LIMITED

We have audited the financial statements of Shaw Healthcare (Managed Services) Limited for the year ended 31 March 2017 which comprise the Profit And Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes. 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, 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 31 March 2017 and of its loss 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Directors' Report has been prepared in accordance with applicable legal requirements.

SHAW HEALTHCARE (MANAGED SERVICES) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF SHAW HEALTHCARE (MANAGED SERVICES) LIMITED

Matters on which we are required to report by exception

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 material misstatements in the Directors' Report.

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 in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



Andrew Woodhead (Senior statutory auditor)

for and on behalf of Deloitte LLP

Statutory Auditor

Cardiff

United Kingdom

28 September 2017

SHAW HEALTHCARE (MANAGED SERVICES) LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2017**

		2017	2016
	Notes	£	£
Turnover	3	2,520,450	2,489,913
Operating costs		(2,519,385)	(2,489,039)
Operating profit		<u>1,065</u>	<u>874</u>
Interest receivable and similar income	7	113	447
Interest payable and similar expenses	8	(1,672)	(1,320)
(Loss)/profit before taxation		<u>(494)</u>	<u>1</u>
Taxation	9	98	-
(Loss)/profit for the financial year		<u><u>(396)</u></u>	<u><u>1</u></u>

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

SHAW HEALTHCARE (MANAGED SERVICES) LIMITED


**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2017**

	2017	2016
	£	£
(Loss)/profit for the year	(396)	1
Other comprehensive income	-	-
	<hr/>	<hr/>
Total comprehensive income for the year	(396)	1
	<hr/> <hr/>	<hr/> <hr/>

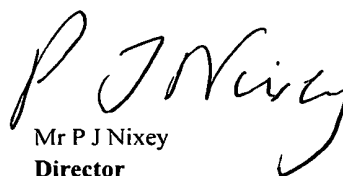
SHAW HEALTHCARE (MANAGED SERVICES) LIMITED**BALANCE SHEET****AS AT 31 MARCH 2017**

	Notes	2017 £	£	2016 £	£
Current assets					
Debtors	10	363,023		362,839	
Cash at bank and in hand		115,675		112,066	
		<u>478,698</u>		<u>474,905</u>	
Creditors: amounts falling due within one year	11	(369,022)		(364,833)	
Net current assets			<u>109,676</u>		<u>110,072</u>
Capital and reserves					
Called up share capital	12		100,000		100,000
Profit and loss reserves			9,676		10,072
Total equity			<u>109,676</u>		<u>110,072</u>

The financial statements were approved by the board of directors and authorised for issue on 28 September 2017 and are signed on its behalf by:



Mr R S Brown
Director



Mr P J Nixey
Director

Company Registration No. 03315548

SHAW HEALTHCARE (MANAGED SERVICES) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017**

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 April 2015	100,000	10,071	110,071
Year ended 31 March 2016:			
Profit and total comprehensive income for the year	-	1	1
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2016	100,000	10,072	110,072
Year ended 31 March 2017:			
Loss and total comprehensive income for the year	-	(396)	(396)
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2017	<u>100,000</u>	<u>9,676</u>	<u>109,676</u>

SHAW HEALTHCARE (MANAGED SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

Shaw Healthcare (Managed Services) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1 Links Court, Links Business Park, Fortran Road, St Mellons, Cardiff, South Glamorgan, CF3 0LT.

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.

The principal accounting policies adopted are set out below.

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 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Shaw Healthcare (Group) Limited. These consolidated financial statements are available from its registered office, 1 Links Court, Links Business Park, St Mellons, Cardiff, CF3 0LT.

1.2 Going concern

The financial statements have been prepared using the going concern basis of accounting. The company's business activities are set out in the Directors' Report. The Business Review incorporated in the annual report of Shaw healthcare (Group) Limited, the ultimate parent company, includes information on the group's business activities, together with the factors likely to affect its future development, performance and position. It also includes information on the financial position of the group, its cash flows, liquidity position and borrowing facilities as well as its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.

All of the company's income and costs derive from long-term contracts with companies within the group. Under the terms of the contracts, costs are only incurred to the extent that income has been received, with the company therefore not exposed to the risk of income or cost volatility.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

SHAW HEALTHCARE (MANAGED SERVICES) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

1 Accounting policies

(Continued)

1.3 Turnover

The turnover shown in the profit and loss account arises wholly in the United Kingdom and represents amounts recognised during the year, exclusive of Value Added Tax, in line with the company's revenue recognition policy. The company recognises income as the services are provided to other companies in the group.

1.4 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.

1.5 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.

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.

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.

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 payments 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.

1.6 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.

1.7 Taxation

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

SHAW HEALTHCARE (MANAGED SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

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.

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.

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.

Due to the nature of the business there are limited critical judgements and estimates that are made in the process of applying the company's accounting policies that have a significant effect on the amounts recognised in the financial statements. Revenue is largely derived from management services, there is no inventory or significant provisions and debtor recoverability has not previously given rise to any issues.

3 Turnover and other revenue

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

	2017	2016
	£	£
Turnover		
Management fees	2,520,450	2,489,811
Other income	-	102
	<u>2,520,450</u>	<u>2,489,913</u>
 Other significant revenue		
Interest income	<u>113</u>	<u>447</u>

SHAW HEALTHCARE (MANAGED SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

4 Auditor's remuneration

Fees payable to Deloitte LLP and their associates for the audit of the company's annual accounts were £3,001 (2016 - £3,001).

Fees payable to Deloitte LLP and their associates for non-audit services to the company are not required to be disclosed because the consolidated financial statements of the parent company are required to disclose such fees on a consolidated basis.

5 Employees

The company had no employees during the current or the prior financial year.

6 Directors' remuneration

The directors are remunerated by Shaw healthcare (Group) Limited for their services to the group as a whole. It is not practicable to allocate their remuneration between their services to this company and other group companies. Their remuneration is disclosed in the consolidated financial statements of Shaw healthcare (Group) Limited, which are publicly available.

7 Interest receivable and similar income

	2017	2016
	£	£
Interest income		
Interest on bank deposits	113	447
	<u> </u>	<u> </u>

8 Interest payable and similar expenses

	2017	2016
	£	£
Interest on bank overdrafts and loans	1,672	1,320
	<u> </u>	<u> </u>

9 Taxation

	2017	2016
	£	£
Current tax		
Group tax relief	(98)	-
	<u> </u>	<u> </u>

SHAW HEALTHCARE (MANAGED SERVICES) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

9 Taxation

(Continued)

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

	2017	2016
	£	£
(Loss)/profit before taxation	(494)	1
Expected tax credit based on the standard rate of corporation tax in the UK of 20.00% (2016: 20.00%)	(99)	-
Adjustments in respect of prior years	1	-
Taxation credit for the year	(98)	-

In the Budget on 8 July 2015, the government announced legislation setting the Corporation Tax main rate at 19% for the years starting the 1 April 2017, 2018 and 2019 and at 18% for the year starting 1 April 2020. In the Budget on 16 March 2016, the government announced a further reduction to the Corporation Tax main rate for the year starting 1 April 2020, setting the rate at 17%. As the changes have been substantively enacted at the balance sheet date their effects are included in these financial statements.

There is no expiry date on timing differences, unused tax losses or tax credits.

10 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Amounts due from group undertakings	350,553	350,454
Other debtors	12,470	12,385
	363,023	362,839

The amounts due from group undertakings are unsecured, interest-free and repayable on demand unless otherwise stated.

11 Creditors: amounts falling due within one year

	2017	2016
	£	£
Amounts due to group undertakings	332,953	329,971
Other taxation and social security	30,148	29,712
Accruals and deferred income	5,921	5,150
	369,022	364,833

The amounts due to group undertakings are unsecured, interest-free and repayable on demand unless otherwise stated.

SHAW HEALTHCARE (MANAGED SERVICES) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

12 Share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
100,000 ordinary shares of £1 each	100,000	100,000
	<u>100,000</u>	<u>100,000</u>

The company has one class of ordinary shares which carry no right to fixed income.

The company's other reserves are as follows:

The profit and loss reserve represents cumulative profits or losses net of dividends paid and other adjustments.

13 Related party transactions

There were no transactions with related parties outside the Shaw healthcare (Group) Limited group of companies in either period.

14 Controlling party

The parent company and ultimate controlling party is Shaw healthcare (Group) Limited, a company incorporated and registered in England and Wales. The smallest and largest group for which consolidated financial statements are prepared which include the results of the company is headed by Shaw healthcare (Group) Limited, the financial statements of which are available from the Company Secretary, 1 Links Court, Links Business Park, St Mellons, Cardiff CF3 0LT.