

TRACSCARE GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

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TRACSCARE GROUP LIMITED

CONTENTS

	Page
Company Information	1
Strategic Report	2
Directors' Report	3 - 4
Independent Auditors' Report to the members of Tracscare Group Limited	5 - 6
Profit and Loss Account	7
Balance Sheet	8
Notes to the financial statements	9 - 18

TRACSCARE GROUP LIMITED

COMPANY INFORMATION

DIRECTORS

A C Hayden (resigned 6 June 2014)
V Owen (resigned 20 January 2015)
S G Hullin
C Conway (appointed 19 March 2015)
R D King (resigned 6 June 2014)
E A Millard (resigned 6 June 2014)
R P Constable (resigned 23 January 2015)
C Cameron (appointed 4 November 2014)
P Battle (appointed 26 January 2015)
A Smith

COMPANY SECRETARY

MH Secretaries Limited

COMPANY NUMBER

05003339

REGISTERED OFFICE

Staple Court
11 Staple Inn Buildings
London
WC1V 7QH

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
One Kingsway
Cardiff
CF10 3PW

BANKERS

The Royal Bank of Scotland plc
36 St Andrew Square
Edinburgh
EH2 2YB

SOLICITORS

Marriott Harrison
11 Staple Inn Buildings
London
WC1V 7QH

TRACSCARE GROUP LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015

The directors present the Strategic Report of Tracscare Group Limited (the "Company") for the year ended 31 March 2015.

BUSINESS REVIEW

The directors manage the various businesses of Tracscare Holdco Limited Group on a group, rather than an individual company basis. As such, a separate business review for the Company has not been prepared, but a group review can be found in the Strategic Report contained in the Annual Report of Tracscare Holdco Limited. Neither the Strategic Report nor the Annual Report of Tracscare Holdco Limited forms part of this report.

PRINCIPAL RISKS AND UNCERTAINTIES

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of Tracscare Holdco Limited, which include those of the Company, are discussed in the Strategic Report contained in the Annual Report of Tracscare Holdco Limited. Neither the Strategic Report nor the Annual Report of Tracscare Holdco Limited forms part of this report.

FINANCIAL KEY PERFORMANCE INDICATORS

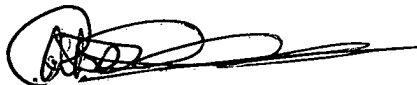
The directors of Tracscare Holdco Limited manage the Group's operations on a group-wide basis.

For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of Tracscare Group Limited.

The development, performance and position of Tracscare Holdco Limited, which includes the Company, are discussed in the Strategic Report contained in the Annual Report of Tracscare Holdco Limited. Neither the Strategic Report nor the Annual Report of Tracscare Holdco Limited forms part of this report.

This report was approved by the board on *22nd December 2015* and signed on its behalf by:

C Cameron
Director



TRACSCARE GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2015

The directors present their annual report and the audited financial statements of Tracscare Group Limited (the "Company") for the year ended 31 March 2015.

PRINCIPAL ACTIVITIES

The principal activity of the Company is the ownership of investments in subsidiary companies involved in the provision of residential care homes.

RESULTS AND DIVIDENDS

The loss for the financial year amounted to £5,508,765 (2014: £1,448,799).

The directors do not recommend the payment of a dividend for the year (2014: £Nil).

DIRECTORS

The directors who served during the year and up to the date of signing the financial statements are as shown on page 1.

GOING CONCERN

As at 31 March 2015 the company had net liabilities of £26,970,555 (2014: £21,461,790). This position arises from the existence of net intercompany liabilities and the company has received assurances from its fellow group undertakings that payment of such balances will not be required until sufficient funds are available to settle the outstanding balances.

FUTURE DEVELOPMENTS

Further details of future development are provided in the Strategic Report.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors.

FINANCIAL RISK MANAGEMENT

The company is not exposed to any significant risk arising from the use of financial instruments.

TRACSCARE GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2015

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic Report, 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

DISCLOSURE OF INFORMATION TO AUDITORS

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

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- that 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 auditors are aware of that information.

INDEPENDENT AUDITORS

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 22nd December 2015 and signed on its behalf by:



C Cameron
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRACSCARE GROUP LIMITED

Report on the financial statements

Our opinion

In our opinion, Tracscare Group 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 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.
-

What we have audited

The financial statements, included within the Annual Report, 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 their preparation comprises 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.

Opinions on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRACSCARE GROUP LIMITED

Directors' remuneration

Under the Companies Act 2006 we are required to report if, in our opinion, certain disclosures of directors' remuneration specified by law have not been made. 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 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 & 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 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.



Jason Clarke (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff

Date:

23 December 2015.

TRACSCARE GROUP LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2015**

	Note	2015 £	2014 £
TURNOVER	2	152,401	113,147
Administrative expenses		(812,975)	(552,229)
Exceptional administrative expenses	7	(4,276,065)	-
Total administrative expenses		(5,089,040)	(552,229)
OPERATING LOSS	3	(4,936,639)	(439,082)
EXCEPTIONAL ITEMS	7		
Other exceptional items	7	-	(214,453)
OPERATING PROFIT		(4,936,639)	(653,535)
Interest receivable and similar income		3,707	17,626
Interest payable and similar charges	8	(408,147)	(812,111)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(5,341,079)	(1,448,020)
Tax on loss on ordinary activities	9	(167,686)	(779)
LOSS FOR THE FINANCIAL YEAR		(5,508,765)	(1,448,799)

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and Loss Account above and therefore no separate Statement of Total Recognised Gains and Losses has been presented.

There are no material differences between the loss on ordinary activities before taxation and the loss for the financial years stated above and their historical cost equivalents.

The notes on pages 9 to 18 form part of these financial statements.

TRACSCARE GROUP LIMITED
REGISTERED NUMBER: 05003339

BALANCE SHEET
AS AT 31 MARCH 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	10		24,715,305		3,602,726
Investments	11		21,375,362		21,375,362
			<u>46,090,667</u>		<u>24,978,088</u>
CURRENT ASSETS					
Debtors	12	44,351		172,485	
Cash at bank and in hand		20,594		2,181,153	
		<u>64,945</u>		<u>2,353,638</u>	
CREDITORS: amounts falling due within one year	13	<u>(72,958,481)</u>		<u>(3,193,716)</u>	
NET CURRENT LIABILITIES			<u>(72,893,536)</u>		<u>(840,078)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(26,802,869)</u>		<u>24,138,010</u>
CREDITORS: amounts falling due after more than one year	14		-		(45,599,800)
PROVISIONS FOR LIABILITIES					
Deferred tax	15		<u>(167,686)</u>		<u>-</u>
NET LIABILITIES			<u>(26,970,555)</u>		<u>(21,461,790)</u>
CAPITAL AND RESERVES					
Called up share capital	16		1,199		1,199
Share premium account	17		315,103		315,103
Profit and loss account	17		<u>(27,286,857)</u>		<u>(21,778,092)</u>
TOTAL SHAREHOLDERS' DEFICIT	18		<u>(26,970,555)</u>		<u>(21,461,790)</u>

The financial statements on pages 7 to 18 were approved and authorised for issue by the board and were signed on its behalf on 22nd December 2015 by:

C Cameron
 Director



The notes on pages 9 to 18 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its Group.

1.2 Going concern

During the year, it was determined that the trade and assets of the Tracscare 2006 Group would be transferred to other group companies and that Tracscare 2006 Group Ltd and its subsidiaries would cease to trade.

As at the year end, provision has been made for any costs to be incurred that arise from the decision to cease trading. The directors have also considered the going concern status of the company for the foreseeable future and have determined, on the basis of support provided by fellow group undertakings to not require payment of intercompany balances until such time as sufficient funds exist to repay them, that the company remains a going concern.

1.3 Cash flow statement

The Company has taken advantage of the exemption from preparing a cash flow statement in accordance with Financial Reporting Standard No 1 (revised 1996) 'Cash Flow Statement' as it is a wholly owned subsidiary undertaking and the parent undertaking publishes consolidated financial statements which include a consolidated cash flow statement.

1.4 Related party transactions

The Company has applied the exemption granted by paragraph 3(c) of Financial Reporting Standard 8 'Related Party Disclosures' not to disclose related party transactions with group companies, where 100% or more of the voting rights of the subsidiary company are controlled within the Group.

1.5 Turnover

Turnover, which arises entirely in the United Kingdom, is the amount derived from the provision of services which fall within the Company's ordinary activities.

Turnover is recognised when earned on an even basis throughout the period of occupancy.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets

Tangible fixed assets are stated at 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 at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% per annum on cost of buildings
Leasehold property and improvements	-	over the term of the lease
Fixtures & fittings	-	20% reducing balance

1.7 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.8 Leases

Assets held under finance lease and hire purchase agreements are capitalised at their fair value on the inception of the lease and depreciated over their estimated useful lives. The finance charges are allocated over the period of the lease in proportion to the capital amount outstanding.

Rentals payable under operating leases are charged to the Profit and Loss Account on a straight-line basis over the period of the lease.

1.9 Pension costs

The Company operates a defined contribution pension scheme. Contributions payable for the period are charged to the Profit and Loss Account.

1.10 Current and deferred taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted, or substantively enacted, by the Balance Sheet date.

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

2. TURNOVER

The whole of the turnover is attributable to the one principal activity of the Company.

All turnover arose within the United Kingdom.

TRACSCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

3. OPERATING LOSS

The operating loss is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the Company	76,749	63,780
Operating lease rentals:		
- other operating leases	30,214	29,585
Loss on disposal of tangible fixed assets	-	11,000
	<u> </u>	<u> </u>

4. AUDITORS' REMUNERATION

	2015 £	2014 £
Fees payable to the Company's auditors for the audit of the Company's annual Financial Statements	7,700	7,700
Fees payable to the Company's auditors in respect of:		
Taxation compliance services	2,615	13,900
Other non-audit services	1,500	-
	<u> </u>	<u> </u>

5. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	498,224	297,045
Social security costs	61,724	36,902
Other pension costs	48,557	43,917
	<u> </u>	<u> </u>
	608,505	377,864
	<u> </u>	<u> </u>

The average monthly number of employees, including the directors, during the year was as follows:

	2015 Number	2014 Number
Directors	4	4
	<u> </u>	<u> </u>

TRACSCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

6. DIRECTORS' REMUNERATION

	2015 £	2014 £
Aggregate emoluments	<u>739,114</u>	<u>297,045</u>
Company pension contributions to defined contribution pension schemes	<u>178,987</u>	<u>43,917</u>

During the year retirement benefits were accruing to 8 directors (2014: 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £267,801 which included a bonus for the refinancing of the group (2014: £112,212).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £12,026 (2014: £10,417).

7. EXCEPTIONAL ITEMS

Exceptional expenses comprise the following amounts:

	2015 £	2014 £
Costs incurred in relation to the potential sale of the business	-	214,453
Costs of refinancing and restructuring	<u>4,276,065</u>	<u>-</u>
	<u>4,276,065</u>	<u>214,453</u>

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Interest on bank loans, overdraft and loan notes	<u>121,876</u>	<u>702,940</u>
Amortisation of deferred finance costs	<u>286,271</u>	<u>109,171</u>
	<u>408,147</u>	<u>812,111</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

9. TAX ON LOSS ON ORDINARY ACTIVITIES

	2015 £	2014 £
Analysis of tax charge/(credit) in the year		
Current tax		
Adjustments in respect of prior years	-	(5,664)
	<u>-</u>	<u>(5,664)</u>
Deferred tax (see note 15)		
Origination and reversal of timing differences	167,686	6,443
	<u>167,686</u>	<u>6,443</u>
Tax on loss on ordinary activities	<u>167,686</u>	<u>779</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014: higher than) the standard rate of corporation tax in the UK of 21% (2014: 23%). The differences are explained below:

	2015 £	2014 £
Loss on ordinary activities before tax	(5,341,079)	(1,448,020)
	<u>(5,341,079)</u>	<u>(1,448,020)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014: 23%)	(1,121,627)	(333,224)
Effects of:		
Expenses not deductible for tax purposes	949,684	24,016
Capital allowances for year in excess of depreciation	(22,743)	(17,767)
Adjustments to tax charge in respect of prior years	-	(5,664)
Non-taxable income	(1,182,796)	-
Group relief not paid for	1,377,482	542,503
Transfer pricing adjustments	-	(203,600)
Utilisation of tax losses	-	(11,928)
	<u>-</u>	<u>(5,664)</u>
Current tax charge/(credit) for the year	<u>-</u>	<u>(5,664)</u>

Factors that may affect future tax charges

The March 2013 Budget Statement announced changes to the UK Corporation tax rates that were substantively enacted as part of the Finance Bill 2013 on 2 July 2013. These reduced the main rate of corporation tax to 21% from 1 April 2014 and to 20% from 1 April 2015. As the changes have been substantively enacted at the balance sheet date their effects are included in these financial statements.

The July 2015 Budget Statement announced further changes to the UK Corporation tax rate which will reduce the main rate of corporation tax to 19% from 1 April 2017 and to 18% from 1 April 2020. As the changes have not been substantively enacted at the balance sheet date their effects are not included in these financial statements.

Accordingly, the deferred tax balance has been calculated using a rate of 20%.

TRACSCARE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

10. TANGIBLE ASSETS

	Freehold property £	Leasehold property and improvements £	Fixtures & fittings £	Total £
Cost				
At 1 April 2014	3,896,920	64,333	32,813	3,994,066
Additions	909,849	545	76,073	986,467
Transfers intra group	20,210,649	(38,745)	-	20,171,904
	<u>25,017,418</u>	<u>26,133</u>	<u>108,886</u>	<u>25,152,437</u>
Accumulated depreciation				
At 1 April 2014	341,261	29,887	20,192	391,340
Charge for the year	57,680	11,857	7,212	76,749
Transfers intra group	-	(30,957)	-	(30,957)
	<u>398,941</u>	<u>10,787</u>	<u>27,404</u>	<u>437,132</u>
Net book value				
At 31 March 2015	<u>24,618,477</u>	<u>15,346</u>	<u>81,482</u>	<u>24,715,305</u>
At 31 March 2014	<u>3,555,659</u>	<u>34,446</u>	<u>12,621</u>	<u>3,602,726</u>

11. INVESTMENTS

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2014 and 31 March 2015	<u>21,375,362</u>
Net book value	
At 31 March 2015	<u>21,375,362</u>
At 31 March 2014	<u>21,375,362</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Subsidiary	Country of registration	Holding
Tracs Limited	England and Wales	100 %
Tracscare 2005 Limited	England and Wales	100 %
CVS Homes Limited	England and Wales	100 %

The directors consider the value of the investments to be supported by their underlying net assets.

TRACSCARE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

12. DEBTORS

	2015 £	2014 £
Amounts owed by undertakings in which the company has a participating interest	-	139,852
Amounts owed by group undertakings	25,559	-
Other debtors	102	-
Prepayments and accrued income	18,690	32,633
	<u>44,351</u>	<u>172,485</u>

Amounts owed by group undertakings are unsecured, interest free and carry no fixed terms of repayment other than being due in less than one year.

**13. CREDITORS:
Amounts falling due within one year**

	2015 £	2014 £
Bank loans	-	3,100,829
Trade creditors	109,738	46,854
Amounts owed to group undertakings	72,804,696	-
Amounts owed to associates	1	-
Other taxation and social security	24,990	14,745
Accruals and deferred income	19,056	31,288
	<u>72,958,481</u>	<u>3,193,716</u>

Amounts owed to group undertakings are unsecured, interest free and carry no fixed terms of repayment other than being due in less than one year.

**14. CREDITORS:
Amounts falling due after more than one year**

	2015 £	2014 £
Bank loans	-	25,644,710
Amounts owed to group undertakings	-	19,955,090
	<u>-</u>	<u>45,599,800</u>

TRACSCARE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

15. DEFERRED TAXATION

	2015 £	2014 £
At beginning of year	-	-
Charge for year	167,686	-
	<u>167,686</u>	<u>-</u>
At end of year	<u>167,686</u>	<u>-</u>

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	223,995	40,080
Tax losses carried forward	(56,309)	(45,937)
Deferred tax not provided	-	5,857
	<u>167,686</u>	<u>-</u>

A deferred tax asset has not been recognised in respect of timing differences relating to the tax written down value of assets qualifying for capital allowances being in excess of their net book value, as there is insufficient evidence that the asset will be able to be utilised in future periods. The amount of the asset not recognised is approximately £Nil (2014: £5,857).

16. CALLED UP SHARE CAPITAL

	2015 £	2014 £
Authorised, allotted and fully paid		
96,248 (2014: 96,248) A ordinary shares of £0.01 each	963	963
18,333 (2014: 18,333) Ordinary shares of £0.01 each	183	183
5,326 (2014: 5,300) B ordinary shares of £0.01 each	53	53
	<u>1,199</u>	<u>1,199</u>

17. RESERVES

	Share premium account £	Profit and loss account £
At 1 April 2014	315,103	(21,778,092)
Loss for the financial year	-	(5,508,765)
	<u>315,103</u>	<u>(27,286,857)</u>
At 31 March 2015	<u>315,103</u>	<u>(27,286,857)</u>

TRACSCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT

	2015 £	2014 £
Opening shareholders' deficit	(21,461,790)	(20,013,044)
Loss for the financial year	(5,508,765)	(1,448,799)
Shares issued during the year	-	53
Closing shareholders' deficit	<u>(26,970,555)</u>	<u>(21,461,790)</u>

19. RELATED PARTY TRANSACTIONS

The Company is a wholly owned subsidiary of Tracscare Holdco Limited and is included in the consolidated financial statements of Tracscare Holdco Limited, which are publicly available. Consequently, the Company has taken advantage of the exemption afforded by FRS 8, not to disclose transactions with other companies that are part of the same group.

Tracscare Group Limited paid £12,432 monitoring fees to Sovereign Capital Partners LLP in the financial year (2014: £67,812).

During the financial year, the Company received £nil (2014: £14,362) in respect of management charges to companies under common directorship and ownership.

20. CAPITAL COMMITMENTS

At 31 March, the Company had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	<u>1,205,000</u>	<u>-</u>

21. PENSION COMMITMENTS

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £48,557 (2014: £43,917). No contributions were payable to the schemes at the end of the year.

22. OPERATING LEASE COMMITMENTS

At 31 March, the Company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2015 £	2014 £
Expiry date:		
Between 2 and 5 years	<u>26,754</u>	<u>26,754</u>

TRACSCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

23. PARENT COMPANY AND ULTIMATE CONTROLLING PARTY

The immediate parent company at 31 March 2015 was Trascare Bidco Limited.

The ultimate parent company at 31 March 2015 was Sundhet Holdings S.A.

Trascare Holdco Limited is the parent of the smallest and largest group of which the Company is a member and for which group financial statements are drawn up. Copies of the financial statements of Trascare Holdco Limited are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.