

Comfort Call Limited

Annual Report and Financial Statements

For the year ended 31 March 2017

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Company number 05763279

Comfort Call Limited

**Annual report and financial statements
for the year ended 31 March 2017**

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Directors

J Thorburn-Muirhead
N Goodban

Company Secretary

N Goodban

Registered office

2nd Floor
Olympic House
3 Olympic Way
Wembley
Middlesex
HA9 ONP

Independent Auditor

PricewaterhouseCoopers LLP
The Atrium
1 Harefield Road
Uxbridge
UB8 1EX

Comfort Call Limited

Strategic report for the year ended 31 March 2017

The directors present their strategic report together with the audited financial statements for Comfort Call Limited (the 'Company') for the year ended 31 March 2017.

Results and dividends

The results for the year ended 31 March 2017 are disclosed on page 9 and show a profit after taxation of £3,849k (2016: profit of £2,936k). No dividends have been paid or proposed in the year (2016: £nil).

Financial review

Turnover for the year amounted to £47,412k (2016: £38,712k) which resulted in profit on ordinary activities before interest and taxation of £4,526k (2016: profit of £3,377k).

Key performance indicators

The Company's primary KPI is weekly delivered care volumes. Average weekly chargeable hours increased significantly in the year ended 31 March 2017 with the Company increasing its presence across England whilst also growing its Extra Care division.

Principal risks and uncertainties

The Company is exposed to non-financial risks such as the loss of major contracts, a significant change in the market dynamic and the loss of key people.

The risk associated with the loss of major contracts is mitigated by virtue of a healthy pipeline of new business opportunities to replace any contract losses, the absence of undue reliance on any single contract which could potentially impact the overall performance of the Company as well as operating a number of long-term and rolling contracts. With the number of customer contracts in operation across the Company, the retendering process is continually on-going. The Company remains confident of retaining all existing business due for retender in the next 12 months and retender statistics over the last 24 months strongly support that view. In the immediate future, the risk of significant contract loss is further limited by the relatively small number of large value contracts due for retender and in the longer term is further protected through the increasing development of 'personalisation' which allows for service users to choose their own provider.

The risks around market dynamics are constantly developing. The Company maintains a keen interest in political developments around the implementation of the Care Act, is an active participant in meetings of the industry representative, the United Kingdom Homecare Association ("UKHCA"), and keeps abreast of developments and interpretations of all relevant legislation pertaining to its workforce, the sector and its customer base.

Whilst funding pressures continue to impact the sector the Company maintains strong pricing discipline through tender and retender activity thereby maintaining a financially viable portfolio into all future contract years. Recent budgetary changes have also allocated specific 'Improved Better Care Funding' (iBCF) to the domiciliary care sector from 2017 which in recent months has started to filter down through the system to further support local authority charge rates.

The Company is always seeking people to join the business with the right skill set to replace the loss of key staff as and when that occurs. Following further significant Senior Management and Operational headcount investment in the financial year 2017 the Group's staff base has never been more robust.

Comfort Call Limited

Strategic report (*continued*)
for the year ended 31 March 2017

Future strategy

The outlook for the financial year 2018 and beyond is positive.

By order of the board



N. Goodban
Director

4 December 2017

Comfort Call Limited

Report of the Directors for the year ended 31 March 2017

The Directors present their annual report together with the audited financial statements of the Company for the year ended 31 March 2017.

Principal activities and future developments

The principal activity of the Company is the provision of domiciliary care services across the United Kingdom. These services include support to people over sixty-five years of age, as well as young adults and children with a broad range of needs including physical and sensory impairment, mental illness, learning disabilities and a range of other complex health needs. These services are typically delivered in the service users homes and/or administered in extra care scheme environments. The directors propose to continue the same activities next year.

Political and charitable donations

The Company made no donations during the year (2016: £nil).

Financial risk management

The Company focuses on best practise to effectively manage the financial risks associated with its business and the financing of those activities. Due to the nature of the Company's business and its asset and liability base, the only financial risks that the Directors consider relevant to the Company are price, credit, and liquidity risk.

Price risk

Given the nature of the business in which the Company is engaged, it bears minimal risk of price inflation in the absence of any significant purchase obligations other than statutory national living wage increases. The Company's leased property portfolio is small and its annual obligations are immaterial to the performance of the Company as a whole. Price pressures are exerted by customers and these are managed through contractual negotiation and charge rate restructuring.

Credit risk

The Company's exposure to credit risk is mitigated through its large customer base, minimal credit exposure on any one customer contract, its focus on long-term customer relationships and active monitoring of the credit status of overdue customer accounts.

Liquidity risk

The Company manages liquidity risk by budgeting and forecasting cash flows in the short to medium term and monitoring working capital positions on a monthly basis. Long-term liquidity is assured through committed funding arrangements from other group companies to meet foreseeable peak borrowing requirements.

Post balance sheet events

There have been no significant events since the balance sheet date.

Going Concern

The directors have continued to review the Company's cash flow forecasts and trading budgets and after making appropriate enquiries, have formed the view that the Company is operationally and financially robust and will generate sufficient cash to meet its ongoing requirements for at least the next 12 months from the date of approval of these financial statements.

The Company's cash flow forecasts continue to indicate strong cash generation more than sufficient to meet liabilities as they fall due.

The Company's forecasts include modelling covenant compliance which indicates that significant headroom exists in the foreseeable future. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Comfort Call Limited

Report of the Directors for the year ended 31 March 2017 (continued)

Directors

The following served as directors during the year and up to the date of signing the financial statements:

J Thorburn-Muirhead	(appointed on 2 May 2017)
C M Rushton	(resigned on 2 May 2017)
N Goodban	

Directors' indemnities and insurance

The Company has indemnified its directors, by way of directors and officer's liability insurance, against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third-party indemnity provision remains in force at the date of approving the Report of the Directors.

Employee involvement

Employee involvement is fundamental to the Company's success. The policy of regular meetings between management and employees and Company newsletters provides employees with information which encourages the free flow of information and ideas. Investment in training and development is actively encouraged for all levels of employees, as this is considered critical for the success of the Company.

Disabled employees

The Company is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind. Management actively pursues both the employment of disabled persons whenever a suitable vacancy arises and the continued employment and retaining of employees who become disabled whilst employed by the Company. Particular attention is given to the training, career development and promotion of disabled employees with a view to encouraging them to play an active role in the development of the Company.

Environmental awareness

The Company is committed to ensuring that the environmental consequences of its operations are minimised as far as practicable. As such the Company pursues the following objectives:

- Recycling of waste where possible;
- Conserving of energy and water; and
- Recycling of consumables (paper, card, ink cartridges).

Auditor

PricewaterhouseCoopers LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

Disclosure of information to Auditor

For all the directors at the time this report was approved, the following applies:

- a) so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- b) each director has taken all the steps that they ought to have taken as director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Comfort Call Limited

Report of the directors for the year ended 31 March 2017 (*continued*)

Statement of directors' responsibilities in respect of the strategic report, the report of the directors and the financial statements

The directors are responsible for preparing the Strategic Report, Report of the Directors 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, comprising Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), and applicable law).

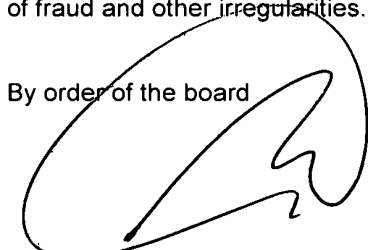
Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss for that period.

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 comprising FRS 102 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 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.

By order of the board



N Goodban
Director

4 December 2017

Comfort Call Limited

Independent auditors' report to the members

Report on the financial statements

Our opinion

In our opinion, Comfort Call 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 2017 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

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Balance sheet as at 31 March 2017;
- the Profit and loss account for the year then ended;
- the Statement of changes in equity 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 United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (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 matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the directors have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Report of the directors. We have nothing to report in this respect.

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.

Comfort Call Limited

Independent auditors' report to the members (continued)

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.

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 in respect of the strategic report, the report of the directors and the financial statements set out on page 6, 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 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. With respect to the Strategic Report and Report of the directors, we consider whether those reports include the disclosures required by applicable legal requirements.



Christopher Maw (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Uxbridge

4 December 2017

Comfort Call Limited

Profit and loss account for the year ended 31 March 2017

	Note	2017 £'000	2016 £'000
Turnover	4	47,412	38,712
Cost of sales		(38,373)	(31,351)
Exceptional cost of sales	6	(151)	(111)
Gross profit		8,888	7,250
Administrative expenses:			
Exceptional Items	6	(457)	(368)
Depreciation and amortisation		(190)	(210)
Other operating expenses		(3,715)	(3,295)
Profit on ordinary activities before taxation	7	4,526	3,377
Tax charge on profit on ordinary activities	10	(677)	(441)
Profit for the financial year		3,849	2,936
Total comprehensive income for year		3,849	2,936

The notes on pages 12 to 26 form part of these financial statements.

Comfort Call Limited

Balance sheet at 31 March 2017

	Note	2017 £'000	2017 £'000	2016 £'000	2016 £'000
Fixed assets					
Intangible assets	11		422		464
Tangible assets	12		384		398
			<u>806</u>		<u>862</u>
Current assets					
Debtors	13	17,878		13,922	
Cash at bank and in hand		148		10	
		<u>18,026</u>		<u>13,932</u>	
Creditors: amounts falling due within one year	14	(5,091)		(4,880)	
Net current assets			<u>12,935</u>		<u>9,052</u>
Total assets less current liabilities			<u>13,741</u>		<u>9,914</u>
Deferred taxation	16		-		(4)
Provisions for liabilities	17		(1,289)		(1,307)
Net assets			<u>12,452</u>		<u>8,603</u>
Capital and reserves					
Called up share capital	18		-		-
Share premium account			11		11
Profit and loss account			12,441		8,592
Total equity			<u>12,452</u>		<u>8,603</u>

The notes on pages 12 to 26 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 4 December 2017.


N. Goodban
Director

Company number 05763279

Comfort Call Limited

Statement of changes in equity for the year ended 31 March 2017

	Called up Share capital £'000	Share premium account £'000	Profit and loss account £'000	Total equity £'000
At 1 April 2015	-	11	5,656	5,667
Profit for the financial year	-	-	2,936	2,936
At 31 March 2016	-	11	8,592	8,603
At 1 April 2016	-	11	8,592	8,603
Profit for the financial year	-	-	3,849	3,849
At 31 March 2017	-	11	12,441	12,452

The notes on pages 12 to 26 form part of these financial statements.

Comfort Call Limited

Notes forming part of the financial statements for the year ended 31 March 2017

1 Corporate information

Comfort Call Limited (the 'Company') operates as providers of domiciliary care services across the United Kingdom.

The Company is a private company limited by shares and incorporated in England. The address of its registered office is 2nd Floor, Olympic House, 3 Olympic Way, Wembley, Middlesex, HA9 ONP.

2 Statement of compliance

The financial statements of Comfort Call Limited have been prepared in accordance with United Kingdom Accounting Standards which comply with Financial Reporting Standard 102 and the Companies Act 2006.

3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These financial statements have been prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below.

Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are addressed below.

- Determine whether there are indicators of impairment of the Company's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit; and
- Determine the value of employment cost provisions with respect to potential exposure to national minimum wage non-compliance, dilapidations and onerous lease provisions which require management's best estimate of the costs that will be incurred based on legislative and contractual requirements. In addition, the timing of the cash flows and the discount rates used to establish net present value of the obligations require management's judgement.

New standards and IFRIC interpretations

No new accounting standards, or amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 March 2017, have had a material impact on the Company.

Exemptions of qualifying entities under FRS 102

FRS 102 allows qualifying entities certain disclosure exemptions, subject to certain conditions, which have been complied with.

Comfort Call Limited

Notes forming part of the financial statements
for the year ended 31 March 2017 (*continued*)

3 Summary of significant accounting policies (*continued*)

Exemptions of qualifying entities under FRS 102 (*continued*)

The Company has taken advantage of the exemptions set out below on the basis that it is a qualifying entity since its results are included in the consolidated financial statements of C&C Top Co Limited which are available from 2nd Floor, Olympic House, 3 Olympic Way, Wembley, Middlesex HA9 ONP.

- Section 7 – Statement of cashflows;
- Section 11 – Financial instruments (paragraphs 11.39 to 11.48A);
- Section 12 – Other financial instruments (paragraphs 12.26 to 12.29);
- Section 33 – Related party disclosures (paragraph 33.7);
- Section 33 – Key management personnel (paragraph 33.7).

Going Concern

The directors have continued to review the Company's cash flow forecasts and trading budgets and after making appropriate enquiries, have formed the view that the Company is operationally and financially robust and will generate sufficient cash to meet its ongoing requirements for at least the next 12 months from the date of approval of these financial statements.

The Company's cash flow forecasts continue to indicate strong cash generation more than sufficient to meet liabilities as they fall due.

The Company's forecasts include modelling covenant compliance which indicates that significant headroom exists in the foreseeable future. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Turnover

Turnover represents the amounts receivable from the provision of domiciliary care services. Turnover is stated net of value added tax and is recognised in the profit and loss account when the service is provided to the customer.

Exceptional items

The Company classifies certain one-off items that have a material impact, by amount or nature, on the Company's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the Company.

Employee benefits

The Company provides a range of benefits to employees including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

(i) Short-term benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as expenses in the period in which the service is received.

(ii) Pension plans

Amounts charged to the profit and loss account in respect of pension costs represents the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments.

(iii) Annual bonus plan

The Company operates an annual bonus plan for certain employees. An expense is recognised in the profit and loss account when the Company has a legal or constructive obligation to make payments under the plans as a result of past events and a reliable estimate of the obligation can be made.

Comfort Call Limited

Notes forming part of the financial statements
for the year ended 31 March 2017 (*continued*)

3 Summary of significant accounting policies (*continued*)

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a change attributable to an item of income or 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 reporting date in the country where the Company operates and generates taxable income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- 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 income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Business combinations and goodwill

Business combinations are accounted for by applying the purchase method. The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination. Where control is achieved in stages the cost is the consideration at the date of each transaction.

Contingent consideration is initially recognised at its estimated amount where the consideration is probable and can be measured reliably. Where (i) the contingent consideration is not considered probable or cannot be reliably measured but subsequently becomes probable and measurable or (ii) contingent consideration previously measured is adjusted, the amounts are recognised as an adjustment to the cost of the business combination within 12 months of the acquisition date. Transaction fees associated with the business combination if identified are capitalised as part of the investment.

On acquisition of a business, fair values are attributed to the identifiable assets and liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill.

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the Group's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

On acquisition, goodwill is allocated to cash-generating units ('CGU's') that are expected to benefit from the combination. Goodwill is amortised over its expected useful life of 5-10 years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the profit and loss account.

Comfort Call Limited

Notes forming part of the financial statements for the year ended 31 March 2017 (continued)

3 Summary of significant accounting policies (continued)

Business combinations and goodwill (continued)

Where the cost of the business combination exceeds the fair value of the Company's interest in the assets, liabilities and contingent liabilities acquired, negative goodwill arises. The Company, after consideration of the assets, liabilities and contingent liabilities acquired and the cost of the combination, recognises negative goodwill on the balance sheet and releases this to the profit and loss account, up to the fair value of the non-monetary assets acquired, over the periods in which the non-monetary assets are recovered and any excess over the fair value of the non-monetary assets in the profit and loss account over the period expected to benefit.

Intangible assets (other than goodwill)

Intangible assets are stated at deemed cost which is the same as historical cost less accumulated amortisation and accumulated impairment at the date of transition to FRS 102, plus subsequent costs of additions less subsequent amortisation. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Customer contracts	5 to 10 years
Brands	5 to 10 years

Amortisation is charged to operating costs in the profit and loss account. Where factors indicate that the useful life has changed, the amortisation rate is amended prospectively to reflect the new circumstances. The assets are reviewed for impairment if factors indicate that the carrying amount may be impaired.

Tangible fixed assets

Tangible fixed assets are stated at deemed cost which is the same as historical cost less accumulated depreciation and any accumulated impairment losses at the date of transition to FRS 102, plus subsequent costs of additions less subsequent depreciation. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Motor vehicles	5 years
Computer equipment	5 years
Fixtures, fittings and equipment	5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating expenses' in the profit and loss account.

Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

Comfort Call Limited

Notes forming part of the financial statements
for the year ended 31 March 2017 (*continued*)

3 Summary of significant accounting policies (*continued*)

Leased assets

All leases are treated as operating leases and their annual rents are charged to the profit or loss account on a straight-line basis over the term of the lease.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and amounts due from group undertakings, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss. If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss. Financial assets are derecognised when (a) the contractual rights to the cash flow from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables and amounts due from group undertakings, 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 receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Comfort Call Limited

Notes forming part of the financial statements
for the year ended 31 March 2017 (continued)

3 Summary of significant accounting policies (continued)

Financial liabilities (continued)

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Share capital

Ordinary shares are classified as equity.

4 Turnover

	2017 £'000	2016 £'000
Analysis by class of business		
Domiciliary Care	36,663	32,637
Extra Care Schemes	10,749	6,075
	<u>47,412</u>	<u>38,712</u>

Turnover arose entirely in the United Kingdom.

5 Auditor remuneration

During the year the Company obtained the following services from its auditors PricewaterhouseCoopers LLP (2016: BDO LLP) as detailed below:

	2017 £'000	2016 £'000
Fees payable for the audit of the financial statements	<u>16</u>	<u>16</u>

6 Exceptional items

	2017 £'000	2016 £'000
Charged to operating profit:		
Redundancy and other restructuring costs	215	246
Impairment of intangible assets	-	233
Employment costs (note 17)	151	-
Onerous lease (note 17)	171	-
Dilapidations (note 17)	71	-
	<u>608</u>	<u>479</u>

Comfort Call Limited

Notes forming part of the financial statements
for the year ended 31 March 2017 (*continued*)

7 Profit on ordinary activities before interest and taxation

	2017 £'000	2016 £'000
This is stated after charging:		
Depreciation of tangible fixed assets	145	166
Amortisation of intangible assets	45	44
Operating lease costs – land and buildings	510	314

8 Staff costs

	2017 £'000	2016 £'000
Wages and salaries	35,732	30,262
Social security costs	2,088	1,612
Pension costs	173	119
	<u>37,993</u>	<u>31,993</u>

The pension cost charge represents contributions payable by the Company for auto-enrolment schemes. Contributions amounting to £51,519 (2016: £28,352) are included in other creditors at the year end.

The average number of employees during the year was as follows:

	2017 Number	2016 Number
Branch management and administration	174	164
Care and support workers (full and part-time)	2,417	2,328
	<u>2,591</u>	<u>2,492</u>

9 Directors' remuneration

The directors who served during the year are also directors of other undertakings within the Group and their remuneration is included in the financial statements of C&C Topco Limited. No emoluments were paid to the directors for their services to the Company.

Comfort Call Limited

Notes forming part of the financial statements
for the year ended 31 March 2017 (continued)

10 Tax charge on profit on ordinary activities

(a) The taxation charge is made up as follows:

	2017 £'000	2016 £'000
Current tax		
UK corporation tax at 20% (2016: 20%)	625	407
Adjustments to previous periods	81	-
	<u>706</u>	<u>407</u>
Total current tax		
	<u>706</u>	<u>407</u>
Deferred tax		
Origination and reversal of timing differences	(28)	(17)
Adjustments to previous periods	(1)	51
	<u>(29)</u>	<u>34</u>
Total deferred tax (note 16)		
	<u>(29)</u>	<u>34</u>
Tax charge on profit on ordinary activities	<u>677</u>	<u>441</u>

(b) Factors affecting tax charge for the year:

The tax assessed for the year is lower (2016: lower) than the standard rate of corporation tax in the UK applied to loss before tax. The differences are explained below:

	2017 £'000	2016 £'000
Profit on ordinary activities before tax	4,526	3,377
	<u>4,526</u>	<u>3,377</u>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 20% (2016: 20%)	905	675
Effects of:		
Expenses not deductible for tax purposes	-	47
Other differences leading to decrease in taxation	(13)	2
Adjustments to previous periods	80	51
FRS 102 transition adjustment	-	(34)
Group relief	(300)	(300)
Rate change	5	-
	<u>677</u>	<u>441</u>
Total tax charge for year	<u>677</u>	<u>441</u>

Comfort Call Limited

Notes forming part of the financial statements
for the year ended 31 March 2017 (*continued*)

10 Tax charge on profit on ordinary activities (*continued*)

(c) Factors that may affect future taxation:

In the Budget on 16 March 2016, the Chancellor announced that the standard rate of UK Corporation Tax will be reduced from 1 April 2020 to 17%. In addition, he announced that the planned reductions in rates would be delayed and amended so that the standard rate of UK Corporation Tax will be reduced from 20% to 19% from 1 April 2017, with a further reduction to 17% from 1 April 2020.

The deferred tax assets and liabilities at the balance sheet date are calculated at the substantively enacted rates of 19% and 17%.

11 Intangible assets

	Customer relationships £'000	Brand £'000	Goodwill £'000	Negative goodwill £'000	Total £'000
Cost					
At 1 April 2016	585	73	233	(123)	768
Transferred from group undertaking (note 21)	-	-	3	-	3
At 31 March 2017	585	73	236	(123)	771
Amortisation					
At 1 April 2016	113	19	233	(61)	304
Provided during the year	84	15	1	(55)	45
At 31 March 2017	197	34	234	(116)	349
Net book value					
At 31 March 2017	388	39	2	(7)	422
At 31 March 2016	472	54	-	(62)	464

Comfort Call Limited

Notes forming part of the financial statements
for the year ended 31 March 2017 (*continued*)

12 Tangible fixed assets

	Motor vehicles £'000	Computer equipment £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost				
At 1 April 2016	10	570	146	726
Additions	-	39	37	76
Transferred from group undertaking (note 21)	1	38	16	55
At 31 March 2017	11	647	199	857
Depreciation				
At 1 April 2016	10	229	89	328
Charge for the year	1	93	51	145
At 31 March 2017	11	322	140	473
Net book value				
At 31 March 2017	-	325	59	384
At 31 March 2016	-	341	57	398

13 Debtors

	2017 £'000	2016 £'000
Trade debtors	2,977	2,831
Amounts owed by group undertakings	11,548	8,382
Other debtors	146	175
Prepayments and accrued income	3,182	2,534
Deferred tax asset (note 16)	25	-
	17,878	13,922

All amounts shown under debtors fall due for payment within one year. Amounts owed by group undertakings are unsecured, have no fixed date of repayment and bear no interest.

Comfort Call Limited

Notes forming part of the financial statements
for the year ended 31 March 2017 (*continued*)

14 Creditors: amounts falling due within one year

	2017 £'000	2016 £'000
Bank overdraft	-	1
Trade creditors	252	305
Amounts owed to group undertakings	1,777	1,464
Corporation tax payable	794	407
Taxation and social security	333	273
Other creditors	63	9
Accruals and deferred income	1,872	2,421
	<u>5,091</u>	<u>4,880</u>

Amounts owed to group undertakings are unsecured, have no fixed date of repayment and bear no interest.

15 Financial instruments

The Company's financial instruments may be analysed as follows:

	2017 £'000	2016 £'000
Financial Assets		
Cash at bank and in hand	148	10
Financial assets measured at amortised cost	14,671	11,388
	<u></u>	<u></u>

Financial assets measured at amortised cost comprise of trade debtors, other debtors and amounts due from group undertakings.

	2017 £'000	2016 £'000
Financial liabilities		
Bank overdraft	-	1
Financial liabilities measured at amortised cost	2,092	1,778
	<u></u>	<u></u>

Financial liabilities measured at amortised cost comprise of trade creditors, and other creditors and amounts due to group undertakings.

16 Deferred taxation

	£'000
At 1 April 2016	4
Transferred to profit and loss account	(29)
	<u></u>
At 31 March 2017	(25)
	<u></u>

Comfort Call Limited

Notes forming part of the financial statements
for the year ended 31 March 2017 (continued)

16 Deferred taxation (continued)

The deferred tax asset is made up as follows:

	2017 £'000	2016 £'000
Accelerated capital allowances	(17)	4
Short term timing differences	(8)	-
	<u>(25)</u>	<u>4</u>

17 Provisions for liabilities and charges

	Onerous lease £'000	Employment costs £'000	Dilapidations £'000	Total £'000
At 1 April 2016	-	1,112	195	1,307
Arising during the year	171	151	71	393
Utilised	(56)	(341)	(14)	(411)
	<u>115</u>	<u>922</u>	<u>252</u>	<u>1,289</u>

Onerous lease provisions

Provision for onerous leases onerous leases and contracts at the shorter of the remaining period of the lease, or the period until, in the Directors' opinion, the Company will be able to exit the lease/contract. The amount provided is based on future rental obligations, together with other fixed outgoings.

Dilapidations provisions

Provision for dilapidations relates to unoccupied properties held by the Company under operating leases. The provision recognised represents the lease cost of exiting the contract offset by any benefits expected to be received.

Employment costs

Provision for employment costs captures any probable exposure to historic national minimum wage claims and/or a change in the measured and unmeasured time approach to wage paid employees.

18 Called up share capital

	2017 £	2016 £
Allotted, called up and fully paid:		
50 Ordinary A shares of £1 each	50	50
50 Ordinary B shares of £1 each	50	50
50 Ordinary C shares of £1 each	50	50
	<u>150</u>	<u>150</u>

Comfort Call Limited

Notes forming part of the financial statements
for the year ended 31 March 2017 (*continued*)

19 Capital commitments and contingent liabilities

There are no material capital commitments (2016: £nil).

The borrowings of C&C Topco Limited are secured on the assets of the Company and guaranteed by fellow members of the Group. At 31 March 2017, Group borrowings amounted to £61.6m (2016: £53.7m).

20 Commitments under operating leases

The Company had minimum lease payments under non-cancellable operating leases as set out below:

	2017 £'000	2016 £'000
Not later than 1 year	194	79
Later than 1 year and not later than 5 years	198	143
	<u>392</u>	<u>222</u>

21 Business combinations

Acquisition of Sterling Homecare Limited

On 1 April 2016, the Company acquired the trade and assets of Sterling Homecare Limited for £nil consideration. The trade and assets were transferred at their book value. The fair value was assessed to be the same as the book value, therefore there was no goodwill arising on this transaction.

	£'000
Book value of net assets acquired	
Intangible assets	3
Tangible assets	55
	<u>58</u>
Current assets	
Debtors	520
Cash at bank and in hand	2
	<u>522</u>
Current liabilities	
Creditors	(246)
	<u>334</u>
Book value of net assets acquired	<u>334</u>
Fair value of net assets	<u>334</u>

Comfort Call Limited

**Notes forming part of the financial statements
for the year ended 31 March 2017 (*continued*)**

22 Post balance sheet events

There have been no significant events since the balance sheet date.

23 Related party transactions

The Company is included within the consolidated financial statements of C&C Topco Limited, which are publicly available. Consequently, the Company has taken advantage of the exemption under FRS 102 'Related Party Disclosures' from disclosing related party transactions with C&C Topco Limited or other wholly owned subsidiaries which are part of the Group.

24 Ultimate controlling party

The Company is subsidiary of City and County Healthcare Group Limited, a company incorporated in England and Wales.

The only group in which the results of Comfort Call Limited are consolidated is that headed by C&C Topco Limited, a company incorporated in England and Wales. Consolidated financial statements are available to the public and may be obtained from Companies House.

At 31 March 2017, the majority of the equity shareholding of C&C Topco Limited were held by Graphite Capital Partners VIII, a series of limited liability partnerships. Accordingly, the directors believe there is no ultimate controlling party.