Company Registration No. 06131525 (England and Wales)

BARNDOC HEALTHCARE LIMITED DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

24/12/2014 COMPANIES HOUSE

COMPANY INFORMATION

Directors J. Lubin

A. Levett
A. Uzoka
J. Peter
M J Kaltz
U Sarkar
M A Smeeth

Company number 06131525

Registered office 1238 High Road

Whetstone London N20 0LH

Auditors Gerald Edelman

25 Harley Street

London W1G 9BR

Business address Churchwood House

Cockfosters Road

Barnet Hertfordshire EN4 0DR

CONTENTS

Strategic report	Page
Directors' report	2 - 3
Independent auditors' report	4 - 5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Notes to the cash flow statement	9 .
Notes to the financial statements	10 - 17

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2014

The directors present their report and financial statements for the year ended 31 March 2014.

Review of the business

The Company's turnover remained unchanged compared to 2012/13 at £6.6m. The company earned an operating profit for the year, before exceptional items, of £79,884 compared to a loss in the previous year of £155,795. The consolidated profit and loss account for the year is set out on page 6 of the accounts.

Financial year 2013/14 was the first year of the new GP out of hours contract commissioned by NHS Barnet, Enfield and Haringey clinical commissioning groups which became operational on 1st April 2013. The new contract with a value in 2013/14 of £3.7m runs until April 2015 with an option for an extension for a further year and provides the company with a degree of financial stability over the next two years. Commissioners have confirmed their intention to exercise the one year extension and the company continues to work with our local NHS partners to identify further service development opportunities. The contract contains a number of challenging service quality and waiting time targets with which the company was fully compliant by the end of the first contract year.

During 2013/14 the company continued to provide a range of other high quality primary care services to local NHS commissioners, including the provision of general practitioners to the urgent care centres in Chase Farm and North Middlesex Hospitals, the GP led Health Centre in Cricklewood, out of hours in-patient services at Finchley Memorial, Edgware and Enfield St Michaels hospitals and out-patient referral management services on behalf of NHS Barnet and Richmond clinical commissioning groups.

On behalf of the board

Director

12 December 2014

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2014

The directors present their report and financial statements for the year ended 31 March 2014.

Principal activities and review of the business

The principal activity of the company during the year continued to be that of the provision of GP led primary care services to a range of local NHS Primary Care Trust Commissioners.

Results

The results for the year are set out on page 6.

Directors

The following directors have held office since 1 April 2013:

J. Lubin

A. Levett

A. Franey

(Retired 25 October 2013)

A. Uzoka

J. Peter

M J Kaltz

U Sarkar

M A Smeeth

Going concern

Having reviewed the company's financial forecasts and expected future cash flows, the directors have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2014.

Creditor payment policy

It is the company's policy that payments to suppliers are made in accordance with contract terms. Unless otherwise agreed, the company's policy is to pay suppliers for goods and services received by no later than 30 days of invoice date or receipt whichever is the later. In practice the company comfortably exceeded this target in 2013/14 with creditors paid on average within 11 days over the course of the year.

Auditors

The auditors, Gerald Edelman, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law 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). 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors 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 auditors are aware of that information.

On behalf of the board

J. Lubin

Director

12 December 2014

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BARNDOC HEALTHCARE LIMITED

We have audited the financial statements of Barndoc Healthcare Limited for the year ended 31 March 2014 set out on pages 6 to 17. 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).

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 auditors' 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 2014 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.

Emphasis of matter-Going concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 1.1 of the financial statements concerning the renewal of the main contract to provide GP out of hours services. In view of the fact that the preparation of the financial statements on the going concern basis assumes the renewal of the main contract by the Clinical Commissioning Groups, we consider that attention should be drawn to these disclosures but our opinion is not qualified in this respect.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF BARNDOC HEALTHCARE LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Ajay Shah FCCA (Senior Statutory Auditor) for and on behalf of Gerald Edelman

12 December 2014

Chartered Accountants Statutory Auditor

25 Harley Street London W1G 9BR

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2014

	Notes	2014 £	2013 £
Turnover	2	6,628,232	6,636,535
Administrative expenses		(6,548,347)	(6,792,330)
Operating profit/(loss)	3	79,885	(155,795)
Exceptional item-Loan written back	4	535,171	-
Profit/(loss) on ordinary activities before interest		615,056	(155,795)
Other interest receivable and similar income	5	<u>-</u>	1,387
Profit/(loss) on ordinary activities before taxation		615,056	(154,408)
Tax on profit/(loss) on ordinary activities	6	(5,111)	21,964
Profit/(loss) for the year	14	609,945	(132,444)

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

There are no recognised gains and losses other than those passing through the profit and loss account.

BALANCE SHEET

AS AT 31 MARCH 2014

		20)14	2013	
	Notes	3	£	£	£
Fixed assets					
Tangible assets	7		173,459		238,299
Current assets					
Stocks	8	10,748		10,106	
Debtors	9	1,100,644		585,406	
Cash at bank and in hand		1,106,805		1,229,066	
		2,218,197		1,824,578	
Creditors: amounts falling due within one year	10	(4 462 525)		(4.426.264)	
one year	10	(1,163,535)		(1,436,261)	
Net current assets			1,054,662		388,317
Total assets less current liabilities			1,228,121		626,616
Provisions for liabilities	11		(7,690)		(16,130)
			1,220,431		610,486
			 -		
Capital and reserves					
Called up share capital	13		1,010		1,010
Profit and loss account	14		1,219,421		609,476
Shareholders' funds	15		1,220,431		610,486

Approved by the Board and authorised for issue on 12 December 2014

J. Lutin Director

Company Registration No. 06131525

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2014

	£	2014 £	£	2013 £
Net cash (outflow)/inflow from operating activities		(84,324)		457,322
Returns on investments and servicing of finance Interest received			1,387	
illerest received	-			
Net cash (outflow)/inflow for returns on investments and servicing of finance		-		1,387
Taxation		-		(89,684)
Capital expenditure Payments to acquire tangible assets	(37,937)		(9,420)	
Net cash outflow for capital expenditure		(37,937)		(9,420)
Net cash (outflow)/inflow before management of liquid resources and financing		(122,261)		359,605
		•		
Financing Issue of ordinary share capital Purchase of own shares	-		5 (400)	
Net cash outflow from financing		-		(395)
(Decrease)/increase in cash in the year		(122,261)		359,210

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

1	Reconciliation of operating profit/(loss) from operating activities	to net cash (outflow	v)/inflow	2014	2013
				£	£
	Operating profit/(loss)			79,885	(155,795)
	Depreciation of tangible assets			102,777	152,779
	Increase in stocks			(642)	•
	(Increase)/decrease in debtors			(505,619)	
	(Decrease)/Increase in creditors within one	year		239,275	258,799
	Net cash (outflow)/inflow from operating	activities		(84,324)	457,322
2	Analysis of net funds	1 April 2013	Cash flow	Other non- cash changes	31 March 2014
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	1,229,066	(122,261)	-	1,106,805
	Bank deposits				
	Net funds	1,229,066	(122,261)		1,106,805
					======
3	Reconciliation of net cash flow to mover	ment in net funds		2014 £	2013 £
				-	. •
	(Decrease)/increase in cash in the year			(122,261)	359,210
	Movement in net funds in the year			(122,261)	359,210
	Opening net funds			1,229,066	869,856
	Closing net funds			1,106,805	1,229,066

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The financial statements have been prepared on a going concern basis but, are dependent upon the renewal of the main contract to provide GP out of hours services to Barnet, Enfield and Haringey Clinical Commissioning Groups which expires in March 2015.

The contract has an option of a further extension for a year and although the Commissioners have confirmed their intention to extend the contract, agreement has yet to be reached on the terms of the extension. However, it is expected that agreement for the extension of the main out of hours contract will be achieved. In addition the company provides a number of other GP led services to local NHS commissioners and the company continues to bid for other contracts as appropriate.

The financial statements do not include any adjustments that would result from the discontinuance of the main contract. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents the amounts receivable for the provision of GP led health services to local NHS commissioners. Income in respect of GP out of hours services was accounted for as a standard monthly sum in accordance with the 'block' contract agreed with commissioners. Income in respect of other services was accounted for on a current month basis reflecting actual activity levels in accordance with contract terms and conditions.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Short leasehold improvements

Plant and machinery

Computer equipment

Fixtures, fittings & equipment

Over life of the lease
20% - Straight line
20% - Straight line
20% - Straight line

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Stock

Stock comprises of medicine held for treatment of patients. Stock is valued at the lower of cost and net realisable value.

1.7 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

1	Accounting policies		(continued)
1.8	Deferred taxation Deferred taxation is provided in full in respect of taxation deferred treatment of certain items for taxation and accounting purposes. T discounted.		
2	Turnover		
	The total turnover of the company for the year has been derivundertaken in the United Kingdom.	ved from its principal ac	tivity wholly
3	Operating profit/(loss)	2014 £	2013 £
	Operating profit/(loss) is stated after charging: Depreciation of tangible assets Operating lease rentals	102,777	152,779
	- Plant and machinery	3,738	2,300
	- Other assets	91,921	139,203
	Auditors' remuneration	27,616 ———	11,375
4	Exceptional item	2014 £	2013 £
		£	ž.
	Exceptional item	535,171	
	The amount relates to a loan due to a connected company that was	s waived in the year.	
5	Investment income	2014	2013
		£	£
	Bank interest	_	1,373

1,387

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

Taxation	2014 £	2013 £
Domestic current year tax	Ł	L
U.K. corporation tax	23,170	-
Adjustment for prior years	(9,619)	(214)
Current tax charge	13,551	(214)
Deferred tax		
Deferred tax charge	(8,440)	(21,750)
	5,111	(21,964)
Factors affecting the tax charge for the year		
Profit/(loss) on ordinary activities before taxation	615,056	(154,408) ————
Profit/(loss) on ordinary activities before taxation multiplied by standard		
rate of UK corporation tax of 20.00% (2013 - 20.00%)	123,011	(30,882)
Effects of:		
Non deductible expenses	-	2,244
Depreciation add back	20,555	30,556
Capital allowances	(13,364)	(8,914)
Tax losses utilised	-	6,996
Adjustments to previous periods	(9,619)	(214)
Other adjustments	(107,032)	
	(109,460)	30,668
Current tax charge	13,551	(214)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

	Tangible fixed assets				
		Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Total
		£	£	£	£
	Cost				
	At 1 April 2013 Reclassification of costs	292,268 76,399	328,720 (76,399)	119,171 -	740,159 -
	Additions		26,787	11,150	37,937
	At 31 March 2014	368,667	279,108	130,321	778,096
	Depreciation				
	At 1 April 2013	275,444	152,624	73,792	501,860
	Charge for the year	45,660	34,777	22,340	102,777
	At 31 March 2014	321,104	187,401	96,132	604,637
	Net book value				
	At 31 March 2014	47,563	91,707	34,189	173,459
	At 31 March 2013	16,824	176,096	45,379	238,299
8	Stocks			2014	2013
				£	
	Stock of medical supplies			10,748 ———	
	Stock of medical supplies				£
9	Stock of medical supplies Debtors				£
9	·			10,748	10,106
9	Debtors Trade debtors			10,748 2014 £ 935,752	10,106
9	Debtors Trade debtors Corporation tax		·	10,748 2014 £ 935,752 9,619	2013 £ 451,540
9	Debtors Trade debtors Corporation tax Other debtors			10,748 2014 £ 935,752 9,619 41,409	2013 £ 451,540 - 41,414
9	Debtors Trade debtors Corporation tax		·	10,748 2014 £ 935,752 9,619	2013 £ 451,540

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

10	Creditors: amounts falling due within one year	2014 £	2013 £
	Trade creditors	126,279	302,464
	Corporation tax	23,170	-
	Other taxes and social security costs	37,196	98,173
	Other creditors	262,871	889,295
	Accruals and deferred income	714,019	146,329
		1,163,535	1,436,261
11	Provisions for liabilities		Deferred tax liability £
	Balance at 1 April 2013 Profit and loss account		16,130 (8,440)
	Balance at 31 March 2014		7,690
	The deferred tax liability is made up as follows:		
		2014	2013
		£	£
	Accelerated capital allowances	7,690 ———	16,130
12	Pension and other post-retirement benefit commitments		

12 Pension and other post-retirement benefit commitments Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge

represents contributions payable by the company to the fund.

	2014	2013
	£	£
Contributions payable by the company for the year	13,912	18,427

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

13	Share capital	2014 £	2013 £
	Allotted, called up and fully paid		
	10,100 Ordinary 'A' voting shares of 10p each	1,010	1,010
14	Statement of movements on profit and loss account		Dunkt and
			Profit and loss account £
	Balance at 1 April 2013		609,476
	Profit for the year		609,945
	Balance at 31 March 2014		1,219,421
15	Reconciliation of movements in shareholders' funds	2014 £	2013 £
	Profit/(Loss) for the financial year	609,945	(132,444)
	Proceeds from issue of shares	•	5
	Purchase of own shares	-	(400)
	Net addition to/(depletion in) shareholders' funds	609,945	(132,839)
	Opening shareholders' funds	610,486	743,325
	Closing shareholders' funds	1,220,431	610,486

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

16 Financial commitments

At 31 March 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2015:

	Land and bu	ildings	Other	•
	2014	2013	2014	2013
	£	£	£	£
Operating leases which expire:				
Within one year	-		1,440	5,308
Between two and five years	32,400	32,400	15,934	6,527
In over five years	63,276	63,276	-	-
	95,676	95,676	17,374	11,835
			======	

The company has break clauses on the Churchwood House property lease on: 24 January 2016 and 24 January 2019. There are no such break clauses in respect of its other property lease at Brittania House.

17	Directors' remuneration	2014	2013
		£	£
	Remuneration for qualifying services	329,881	405,641
	Company pension contributions to defined contribution schemes	-	3,435
		329,881	409,076

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to nil (2013-1)

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services - 122,326

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

18 Employees

Number of employees

The average monthly number of employees (including directors) during the vear was:

year was.	2014 Number	2013 Number
Employees	132	149
Employment costs	2014 £	2013 £
Wages and salaries	2,028,148	2,643,388
Social security costs	136,565	198,899
Other pension costs	13,912	18,427
	2,178,625	2,860,714
	_	

19 Control

In the opinion of the directors there is no ultimate controlling party.

20 Related party transactions

Included in other creditors is an amount of £nil (2013: £537,478) owed to Barn-Doc Limited a connected company by virtue of having a common director and common shareholders. During the year, Barn-doc Limited waived the amount of £535,171 due to it by the company.

Included in consultancy fees are amounts of £142,393 (2013: £145,567) paid to Alan Levett Limited, a company of which A. Levett is a director and in which he has a controlling interest.

Included in trade creditors is a amount of £12,500 due to Alan Levett Limited and amounts of £25,000 were accrued in relation to services provided.

Included in board member costs are amounts of £nil (2013: £2,322) paid to iCommunicate Consulting Limited, a company of which M A Smeeth is a director.

Included in directors remuneration and doctors and locum fees are £60,581 and £1,610 paid to Dr U Sarkar and Dr J Peter respectively for director services as well as services provided as doctors. Also included in directors remuneration is an amount of £2,017 paid to Phoenix Practice, a practice in which Dr A Uzoka is a partner.