

Registered number: 08135440

Partnerships in Care (Oak Vale) Limited

Unaudited

Directors' report and financial statements

For the year ended 31 December 2016



Partnerships in Care (Oak Vale) Limited

Company Information

Directors	Joy Chamberlain (resigned 30 November 2016) Quazi Haque (resigned 30 November 2016) Steven Woolgar (resigned 30 November 2016) Trevor Torrington (appointed 30 November 2016) Nigel Myers (appointed 30 November 2016)
Company secretary	David Hall
Registered number	08135440
Registered office	Fifth Floor 80 Hammersmith Road London W14 8UD

Partnerships in Care (Oak Vale) Limited

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Partnerships in Care (Oak Vale) Limited

Directors' report For the year ended 31 December 2016

The Directors present their report and the financial statements for the year ended 31 December 2016.

Principal activity

The company's principal activity during the year continued to be the provision of a residential mental healthcare facility.

On 2 September 2015 the Company changed its name from Oak Vale Gardens 2012 Limited to Partnerships in Care (Oak Vale) Limited.

Directors

The Directors who served during the year were:

Joy Chamberlain (resigned 30 November 2016)
Quazi Haque (resigned 30 November 2016)
Steven Woolgar (resigned 30 November 2016)
Trevor Torrington (appointed 30 November 2016)
Nigel Myers (appointed 30 November 2016)
There are no directors retiring by rotation.

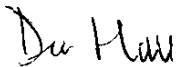
Going Concern

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

Small Companies Note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 22 September 2017 and signed on its behalf.



David Hall
Company secretary

Partnerships in Care (Oak Vale) Limited

Directors' responsibilities statement For the year ended 31 December 2016

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments 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.

Partnerships in Care (Oak Vale) Limited

Statement of comprehensive income
For the year ended 31 December 2016

	31 December 2016 £	9 months ended 31 December 2015 £
Turnover	2,187,369	1,607,012
Cost of sales	(1,486,801)	(1,167,507)
Gross profit	<u>700,568</u>	<u>439,505</u>
Administrative expenses	(83,607)	(50,273)
Operating profit	<u>616,961</u>	<u>389,232</u>
Interest receivable and similar income	36	92
Profit before tax	<u>616,997</u>	<u>389,324</u>
Tax on profit	5 (134,158)	(7,779)
Profit for the year	<u><u>482,839</u></u>	<u><u>381,545</u></u>

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2016 (2015:£NIL).

The notes on pages 6 to 13 form part of these financial statements.

Partnerships in Care (Oak Vale) Limited

**Statement of changes in equity
For the year ended 31 December 2016**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	100	901,303	901,403
Profit for the year	-	482,839	482,839
Total comprehensive income for the year	-	482,839	482,839
At 31 December 2016	100	1,384,142	1,384,242

**Statement of changes in equity
For the year ended 31 December 2015**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2015	100	519,758	519,858
Profit for the period	-	381,545	381,545
Total comprehensive income for the period	-	381,545	381,545
At 31 December 2015	100	901,303	901,403

The notes on pages 6 to 13 form part of these financial statements.

Partnerships in Care (Oak Vale) Limited
Registered number: 08135440

Statement of financial position
As at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	6	81,574	76,225
Current assets			
Debtors: amounts falling due within one year	7	1,699,433	842,564
Bank and cash balances		1,733	159,728
		1,701,166	1,002,292
Creditors: amounts falling due within one year	8	(398,498)	(177,114)
Net current assets		1,302,668	825,178
Total assets less current liabilities		1,384,242	901,403
Net assets		1,384,242	901,403
Capital and reserves			
Called up share capital		100	100
Profit and loss account		1,384,142	901,303
Shareholders' funds		1,384,242	901,403

The Directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 September 2017.


Nigel Myers
Director

The notes on pages 6 to 13 form part of these financial statements.

Partnerships in Care (Oak Vale) Limited

Notes to the financial statements For the year ended 31 December 2016

1. Statement of compliance

Partnerships in Care Oak Vale Limited is a limited liability company incorporated in England. The Registered Office is 80 Hammersmith Road, London, W14 8UD..

The company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the company for the year ended 31 December 2016.

The company transitioned from previously extant UK GAAP to FRS 102 as at 1 April 2014.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Acadia Healthcare Company Inc as at 31 December 2015 and these financial statements may be obtained from 830 Crescent Centre Drive, Suite 610, Franklin, TN 37067.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Partnerships in Care (Oak Vale) Limited

Notes to the financial statements For the year ended 31 December 2016

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Land is not depreciated. 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:

Freehold property	- over 50 years straight line
Plant and machinery	- over 7 to 10 years straight line
Motor vehicles	-
Fixtures and fittings	- over 5 or 10 years straight line
Computer equipment	-

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or 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 in the Statement of comprehensive income.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 April 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Partnerships in Care (Oak Vale) Limited

Notes to the financial statements For the year ended 31 December 2016

2. Accounting policies (continued)

2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.9 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

Partnerships in Care (Oak Vale) Limited

Notes to the financial statements
For the year ended 31 December 2016

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

In the application of accounting policies, management are required to make judgements, estimates and assumptions about the carrying amounts of certain assets and liabilities. The estimates and associated assumptions are based on experience and other factors that are considered as relevant. Actual results could differ from estimates.

The estimates and underlying assumptions are reviewed on a regular basis. Revisions to accounting estimates are recognised in the review period and future periods if the revision affects both the current period and subsequent periods.

4. Employees

Staff costs were as follows:

	31 December 2016 £	9 months ended 31 December 2015 £
Wages and salaries	987,736	794,887
Social security costs	80,537	26,544
Cost of defined contribution scheme	4,272	-
	<u>1,072,545</u>	<u>821,431</u>

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

	31 December 2016 No.	9 months ended 31 December 2015 No.
Operations	41	42
Administration	5	5
	<u>46</u>	<u>47</u>

Partnerships in Care (Oak Vale) Limited

Notes to the financial statements
For the year ended 31 December 2016

5. Taxation

	31 December 2016 £	9 months ended 31 December 2015 £
Corporation tax		
Current tax on profits for the year	130,339	17,985
Adjustments in respect of previous periods	-	(60)
Total current tax	<u>130,339</u>	<u>17,925</u>
Deferred tax		
Origination and reversal of timing differences	-	(9,285)
Adjustment in respect of prior periods	3,819	(573)
Effect of tax rate changes	-	(288)
Total deferred tax	<u>3,819</u>	<u>(10,146)</u>
Taxation on profit on ordinary activities	<u><u>134,158</u></u>	<u><u>7,779</u></u>

Factors affecting tax charge for the year/period

The tax assessed for the year/period is higher than (2015 - lower than) the standard rate of corporation tax in the UK of 20% (2015 - 20%). The differences are explained below:

	31 December 2016 £	9 months ended 31 December 2015 £
Profit on ordinary activities before tax	<u>616,997</u>	<u>389,324</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20%)	123,399	77,865
Effects of:		
Expenses not deductible for tax purposes	3,429	24
Adjust closing deferred tax to average rate	-	203
Adjustments to tax charge in respect of prior periods	3,820	-
Other differences leading to an increase (decrease) in the tax charge	-	(14,241)
Group relief	-	(59,892)
Transfer pricing adjustments	3,510	3,820
Total tax charge for the year/period	<u><u>134,158</u></u>	<u><u>7,779</u></u>

Partnerships in Care (Oak Vale) Limited

Notes to the financial statements
For the year ended 31 December 2016

5. Taxation (continued)

Factors that may affect future tax charges

The level of disallowable expenses and utilisation of tax losses carried forward will impact future tax charges.

The main rate of corporation tax has been reduced from 20% to 19% with effect from 1 April 2017 and from 19% to 17% with effect from 1 April 2020. These rate reductions were substantively enacted before the year end and as the directors consider the deferred tax balances are expected to largely reverse after 1 April 2020, the tax rate used for deferred tax at the year end is 17%.

6. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation						
At 1 January 2016	45,602	464	-	44,937	-	91,003
Additions	-	2,356	13,995	2,444	3,701	22,496
At 31 December 2016	45,602	2,820	13,995	47,381	3,701	113,499
Depreciation						
At 1 January 2016	3,040	174	-	11,564	-	14,778
Charge for the period on owned assets	9,120	372	583	6,536	536	17,147
At 31 December 2016	12,160	546	583	18,100	536	31,925
Net book value						
At 31 December 2016	33,442	2,274	13,412	29,281	3,165	81,574
At 31 December 2015	42,561	290	-	33,374	-	76,225

Partnerships in Care (Oak Vale) Limited

**Notes to the financial statements
For the year ended 31 December 2016**

7. Debtors

	2016 £	2015 £
Trade debtors	25,254	46,872
Amounts owed by group undertakings	1,665,100	772,132
Other debtors	334	6,309
Prepayments and accrued income	8,745	13,430
Deferred taxation	-	3,819
	1,699,433	842,562

8. Creditors: Amounts falling due within one year

	2016 £	2015 £
Bank overdrafts	124,971	-
Trade creditors	7,280	2,180
Amounts owed to group undertakings	43,747	-
Corporation tax	148,191	96,312
Other taxation and social security	19,762	37,897
Other creditors	687	1,868
Accruals and deferred income	53,860	38,857
	398,498	177,114

9. Deferred taxation

	2016 £
At beginning of year	3,819
Charged to Income Statement	(3,819)
	-

Partnerships in Care (Oak Vale) Limited

**Notes to the financial statements
For the year ended 31 December 2016**

10. Capital commitments

At 31 December 2016 the Company had capital commitments as follows:

	2016 £	2015 £
Contracted for but not provided in these financial statements	-	1,056

11. Pension commitments

The Company operates a defined contributions 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 and amounted to £4,272 (2015 - £Nil). Contributions totalling £687 (2015 - £Nil) were payable to the fund at the reporting date and are included in creditors.

12. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Other operating leases		
Not later than 1 year	-	733

13. Controlling party

The immediate parent undertaking is Partnerships in Care (Oak Vale) Holding Company Limited.

The ultimate parent undertaking is Acadia Healthcare Company Inc, a company incorporated in the United States of America.

The largest group in which the results of the Company are consolidated is that headed by Acadia Healthcare Company Inc, incorporated in the United States of America. The consolidated financial statements of the Acadia Healthcare group may be obtained from 830 Crescent Centre Drive, Suite 610, Franklin, TN 37067.

The smallest group in which the results of the Company are consolidated is that headed by Partnerships in Care UK 1 Limited, incorporated in England and Wales. The consolidated financial statements of the Partnerships in Care UK 1 Limited group may be obtained from Fifth Floor 80 Hammersmith Road London W14 8UD.