CENTRES FOR ASSISTED REPRODUCTION LIMITED

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 16 JUNE 2012

Company Registration Number 3328039

RSM Tenon Limited
Accountants & Business Advisers
The Poynt
45 Wollaton Street
Nottingham
NG1 5FW

CENTRES FOR ASSISTED REPRODUCTION LIMITED

FINANCIAL STATEMENTS

PERIOD FROM 1 SEPTEMBER 2011 TO 16 JUNE 2012

CONTENTS **PAGES**

Officers and professional advisers	**1**
The directors' report	**2 to 4**
Independent auditor's report to the members	**5 to 6**
Profit and loss account	**7**
Balance sheet	**8**
Notes to the financial statements	**9 to 19**

The following pages do not form part of the statutory financial statements

Detailed profit and loss account	**21**
Notes to the detailed profit and loss account	**22 to 23**

CENTRES FOR ASSISTED REPRODUCTION LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

PERIOD ENDED 16 JUNE 2012

The board of directors	Dr K Dowell Dr SB Fishel Dr S Thornton NM Lowry
Business address	John Webster House 6 Lawrence Drive Nottingham Business Park Nottingham NG8 6PZ
Registered office	As above
Auditor	RSM Tenon Audit Limited The Poynt 45 Wollaton Street Nottingham NG1 5FW
Accountants	RSM Tenon Limited Accountants & Business Advisers The Poynt 45 Wollaton Street Nottingham NG1 5FW
Bankers	Lloyds TSB Plc Butt Dyke House 33 Park Row Nottingham NG1 6GY

CENTRES FOR ASSISTED REPRODUCTION LIMITED

THE DIRECTORS' REPORT

PERIOD FROM 1 SEPTEMBER 2011 TO 16 JUNE 2012

The directors present their report and the financial statements of the company for the period from 1 September 2011 to 16 June 2012

Principal activities and business review

The principal activities of the company are the provision of fertility healthcare services

Both the level of business and year end financial position are satisfactory, and the directors remain confident of future prospects

Results and dividends

The profit for the period amounted to £1,112,000 The directors have not recommended a dividend

The profit for the period is stated after a £1,884,000 special pension contribution which was made in settlement of the Section 75 Pensions Act 1995 liability which arose as a result of the Company ceasing to be a participating employer in the General Healthcare Group Ltd defined benefit scheme

Risk management

As part of CARE Fertility Group, the UK's largest independent fertility healthcare group, the company has access to a leading team of fertility specialists in the UK, with strong industry links in the UK and overseas This strength in depth means that the company's individual trading risks are limited and diversified

As a provider of healthcare services, management of clinical risk is fundamental to the company The company has in place a formal risk management policy together with a robust, multi-professional clinical governance policy and programme which ensures that the care of the patient is central to all activities The company approaches clinical risk management in many ways including

- Continuous review of patient services and sharing best practice across the group to achieve quality improvement,
- Supporting staff to maintain and develop the required skills,
- Fostering a no-blame, learning culture throughout the organisation,
- Recruitment and retention of a highly skilled and qualified team of consultants, embryologists and nurses across the group,

Risk management *(Continued)*

- Peer reviews are undertaken across all disciplines to ensure compliance with group policies and protocols,
- All company premises are inspected and licensed by the Care Quality Commission,
- All treatments undertaken by the company are performed under a licence issued by the independent regulator, the Human Fertilisation and Embryology Authority (HFEA) The group works closely with the HFEA in order to ensure that all clinics demonstrate best practice,
- Compliance with guidelines laid down by professional bodies such as the Royal College of Obstetricians and Gynaecologist, the Association of Clinical Embryologists, the British Fertility Society and the National Institute for Clinical Excellence,
- Provision of thorough, clearly presented information via a variety of media to all patients at all stages of their treatment,
- Maintenance of a robust complaints policy and an incident and complaints reporting system to ensure that all complaints are thoroughly investigated by a senior member of staff and responded to, and
- Success rates are monitored and analysed in detail across the group to ensure and continually develop best practice

As a provider of fertility services it is essential that the company retains its position at the forefront of technical advances in the field This enables the company to continue to offer its patients the most appropriate treatment and the best chance of a successful outcome Across the group cross-discipline teams are continually undertaking projects to develop best practice and explore new treatments In addition the company works closely with experts across the world to ensure that the company's patients can benefit from international technological advances

Despite national guidance published from the National Institute for Clinical Excellence covering the public funding of infertility treatment, actual NHS funding has remained patchy across the UK The company continues to mitigate the risks of fluctuating funding by securing contracts with NHS commissioning bodies and offering both private and NHS funded patients the same high standard of care

The company makes little use of financial instruments other than an operational bank account and short-term treasury deposits so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company

Directors

The directors who served the company during the period were as follows

Dr K Dowell
Dr SB Fishel
Dr S Thornton
NM Lowry

No director held any interest in the ordinary shares during the year

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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, 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

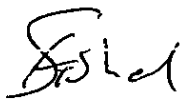
In so far as the directors are, individually, aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Auditor

RSM Tenon Audit Limited are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Signed on behalf of the directors



Dr SB Fishel
Director

Approved by the directors on 4 March 2013

CENTRES FOR ASSISTED REPRODUCTION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRES FOR ASSISTED REPRODUCTION LIMITED

PERIOD FROM 1 SEPTEMBER 2011 TO 16 JUNE 2012

We have audited the financial statements of Centres For Assisted Reproduction Limited for the period from 1 September 2011 to 16 June 2012 on pages 7 to 19 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 auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditor
As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK 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 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 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 16 June 2012 and of its profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matters prescribed by the Companies Act 2006
In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements

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

Alistair Hunt, Senior Statutory Auditor
For and on behalf of

RSM Tenon Audit Limited

RSM Tenon Audit Limited
Statutory Auditors
The Poynt
45 Wollaton Street
Nottingham
NG1 5FW

4 March 2013

CENTRES FOR ASSISTED REPRODUCTION LIMITED

PROFIT AND LOSS ACCOUNT

PERIOD FROM 1 SEPTEMBER 2011 TO 16 JUNE 2012

	Note	Period from 1 Sep 11 to 16 Jun 12 £000	*Year to 31 Aug 11 £000*
Turnover	2	11,446	*14,926*
Other operating income	3	20	*25*
		11,466	*14,951*
Raw materials and consumables		(1,718)	*(2,100)*
Staff costs	4	(6,117)	*(5,070)*
Depreciation written off fixed assets	5	(249)	*(361)*
Other operating charges		(2,436)	*(3,107)*
Operating profit	5	946	*4,313*
Attributable to			
Operating profit before exceptional items		2,879	*4,313*
Exceptional items	5	(1,933)	*–*
		946	*4,313*
Income from shares in group undertakings	7	–	*600*
Interest receivable and similar income		51	*27*
Interest payable and similar charges	8	(1)	*–*
Profit on ordinary activities before taxation		996	*4,940*
Tax on profit on ordinary activities	9	116	*(1,133)*
Profit for the financial period		1,112	*3,807*

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the period as set out above

The notes on pages 9 to 19 form part of these financial statements

CENTRES FOR ASSISTED REPRODUCTION LIMITED

Registered Number 3328039

BALANCE SHEET

16 JUNE 2012

	Note	16 Jun 12 £000	16 Jun 12 £000	*31 Aug 11 £000*	*31 Aug 11 £000*
Fixed assets					
Tangible assets	11		1,822		*1,860*
Investments	12		831		*831*
			2,653		*2,691*
Current assets					
Stocks	13	82		*144*	
Debtors	14	11,299		*3,446*	
Cash at bank		945		*6,355*	
		12,326		*9,945*	
Creditors: amounts falling due within one year	15	(6,160)		*(4,812)*	
Net current assets			6,166		*5,133*
Total assets less current liabilities			8,819		*7,824*
Creditors: amounts falling due after more than one year	16		(460)		*(460)*
Provisions for liabilities					
Deferred taxation	18		(106)		*(223)*
			8,253		*7,141*
Capital and reserves					
Called-up share capital	21		1		*1*
Profit and loss account	22		8,252		*7,140*
Shareholders' funds	23		8,253		*7,141*

These financial statements were approved by the directors and authorised for issue on 4 March 2013, and are signed on their behalf by

Dr SB Fishel
Director

NM Lowry
Director

The notes on pages 9 to 19 form part of these financial statements

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards

Consolidation

The company was, at the end of the period, a wholly-owned subsidiary of another company incorporated in the EEA and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that a cash flow statement has been prepared by the ultimate parent company

Turnover

Turnover represents amounts invoiced and accrued in respect of services provided in the year, less amounts deferred in creditors, and is stated net of value added tax

Tangible fixed assets and depreciation

All fixed assets are initially recorded at cost The cost of tangible fixed assets is the purchase price together with any incidental costs of acquisition

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows

Freehold building	-	50 years
Leasehold property	-	Over the term of the lease
Fixtures & fittings	-	5 to 10 years
Plant & machinery	-	3 to 10 years

Freehold land is not depreciated

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Cost is based on the cost of purchase on a first in, first out basis Net realisable value is based on estimated selling price, less further costs to completion and disposal

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

1. **Accounting policies** *(continued)*

Pension costs

During the period the company participated in defined contribution and defined benefit schemes The defined benefit scheme is operated by General Healthcare Group Limited

Contributions to the defined contribution scheme are charged to the profit and loss account in the period in which they become payable The policy of the trustees of the defined benefit scheme has been to not to separately identify the share of the underlying assets and liabilities of each participating employer and therefore the contributions have been accounted for as if that scheme were a defined contribution scheme

On 16 June 2012 the Company's parent company was acquired by CARE Fertility Holdings Ltd As a result of this transaction the group companies ceased to be participating employers in the General Healthcare Group Limited defined benefit scheme and the Section 75 debt liability thereby arising was paid in full

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, or a right to receive repayments of tax

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted Deferred tax assets and liabilities recognised have not been discounted

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

Investments

The investment in subsidiary undertakings are stated as cost less any diminution in value The company acquired the shares of the subsidiary undertakings for a cash consideration

Share based payments

The company operates a share option programme which enables certain employees to acquire shares of the Company The fair value of options granted is recognised as an employee expense with a corresponding increase in equity The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options The fair value of the options granted is measured using a Black-Scholes model, taking into account the terms and conditions upon which the options were granted The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to share prices not achieving the threshold for vesting

2. Turnover

Turnover and profit before tax are wholly attributable to the principal activity of the company and arise solely within the United Kingdom

3 Other operating income

	Period from 1 Sep 11 to 16 Jun 12 £000	*Year to 31 Aug 11 £000*
Other operating income	20	*25*

4. Particulars of employees

The average number of staff employed by the company during the financial period amounted to

	Period from 1 Sep 11 to 16 Jun 12 No	*Year to 31 Aug 11 No*
Part time	60	*58*
Full time	75	*73*
	135	*131*

The aggregate payroll costs of the above were

	Period from 1 Sep 11 to 16 Jun 12 £000	*Year to 31 Aug 11 £000*
Wages and salaries	3,572	*4,313*
Social security costs	413	*457*
Other pension costs	248	*300*
Exceptional pension contribution	1,884	*–*
	6,117	*5,070*

5. Operating profit

Operating profit is stated after charging

	Period from 1 Sep 11 to 16 Jun 12 £000	*Year to 31 Aug 11 £000*
Depreciation of owned fixed assets	249	*361*
Operating lease costs		
-Plant and machinery	13	*13*
-Other	346	*452*
Auditor's remuneration - audit of the financial statements	5	*5*
Auditor's remuneration - other fees	4	*4*

5. Operating profit *(continued)*

Exceptional pension contribution	1,884	–
Exceptional advice costs	49	–

	16 Jun 12 £000	*31 Aug 11 £000*
Auditor's remuneration - audit of the financial statements	5	*5*
Auditor's remuneration - other fees		
- Taxation services	2	*2*
- Accountancy services	2	*2*
	4	*4*

6 Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were

	Period from 1 Sep 11 to 16 Jun 12 £000	*Year to 31 Aug 11 £000*
Remuneration receivable	636	*763*
Value of company pension contributions to money purchase schemes	88	*111*
	724	*874*

Remuneration of highest paid director.

	Period from 1 Sep 11 to 16 Jun 12 £000	*Year to 31 Aug 11 £000*
Total remuneration (excluding pension contributions)	177	*220*
Value of company pension contributions to money purchase schemes	25	*32*
	202	*252*

The number of directors on whose behalf the company made pension contributions was as follows

	Period from 1 Sep 11 to 16 Jun 12 No	*Year to 31 Aug 11 No*
Money purchase schemes	4	*4*

7. Income from shares in group undertakings

	Period from 1 Sep 11 to 16 Jun 12 £000	*Year to 31 Aug 11 £000*
Income from group undertakings	–	*600*

8 Interest payable and similar charges

	Period from 1 Sep 11 to 16 Jun 12 £000	*Year to 31 Aug 11 £000*
Other similar charges payable	1	–

9. Taxation on ordinary activities

(a) Analysis of charge in the period

	Period from 1 Sep 11 to 16 Jun 12 £000	*Year to 31 Aug 11 £000*
In respect of the period		
UK Corporation tax	1	*1,153*
Deferred tax		
Origination and reversal of timing differences	(117)	*(20)*
Tax on profit on ordinary activities	(116)	*1,133*

9 Taxation on ordinary activities *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the period is lower than the standard rate of corporation tax in the UK of 24% (2011 - 26%)

	Period from 1 Sep 11 to 16 Jun 12 £000	*Year to 31 Aug 11 £000*
Profit on ordinary activities before taxation	996	*4,940*
Profit on ordinary activities by rate of tax	239	*1,284*
Effects of		
Expenses not deductible for tax purposes	2	*5*
Capital allowances for period in excess of depreciation	15	*2*
Non qualifying depreciation	11	*18*
Non taxable income	-	*(156)*
Change in UK tax rate	-	*50*
(Over)/under provision in prior year	1	-
Research and development	(31)	*(50)*
Group relief not paid for	34	-
Schedule 23 deduction	(270)	-
Total current tax (note 9(a))	1	*1,153*

10 Dividends

Equity dividends

	Period from 1 Sep 11 to 16 Jun 12 £000	*Year to 31 Aug 11 £000*
Paid during the year		
Equity dividends	–	*2,900*

11 Tangible fixed assets

	Freehold land and buildings £000	Leasehold property £000	Fixtures & fittings £000	Plant & machinery £000	Total £000
Cost					
At 1 September 2011	294	1,981	276	1,397	3,948
Additions	–	2	4	205	211
At 16 June 2012	294	1,983	280	1,602	4,159
Depreciation					
At 1 September 2011	33	713	257	1,085	2,088
Charge for the period	3	124	9	113	249
At 16 June 2012	36	837	266	1,198	2,337
Net book value					
At 16 June 2012	258	1,146	14	404	1,822
At 31 August 2011	*261*	*1,268*	*19*	*312*	*1,860*

12. Investments

	£000
Cost	
At 1 September 2011 and 16 June 2012	831
Net book value	
At 16 June 2012 and 31 August 2011	831

At 16 June 2012, the company had the following wholly owned subsidiary undertakings, both incorporated in England and Wales and engaged in the provision of fertility services

	Capital and reserves at 16 June 2012 £000	Profit for the year £000
Name		
Care (Sheffield) Limited	1,469	416
Care Fertility (Northampton) Limited	2,493	811

13. Stocks

	16 Jun 12 £000	*31 Aug 11 £000*
Stock	82	*144*

14. Debtors

	16 Jun 12 £000	*31 Aug 11 £000*
Trade debtors	595	*508*
Amounts owed by group undertakings	10,263	*2,812*
Corporation tax repayable	252	*–*
Other debtors	–	*1*
Prepayments and accrued income	189	*125*
	11,299	*3,446*

15. Creditors. amounts falling due within one year

	16 Jun 12 £000	*31 Aug 11 £000*
Trade creditors	281	*497*
Amounts owed to group undertakings	3,866	*1,655*
Corporation tax	–	*636*
Other taxation and social security	186	*176*
Other creditors	131	*–*
Accruals and deferred income	1,696	*1,848*
	6,160	*4,812*

16 Creditors amounts falling due after more than one year

	16 Jun 12 £000	*31 Aug 11 £000*
Accruals and deferred income	460	*460*

17. Pensions

The company contributes to defined contribution and defined benefit schemes on behalf of its employees The defined benefit scheme is operated by General Healthcare Group Limited and provides benefits based on final pensionable pay The assets of the scheme are held separately from those of General Healthcare Group Limited and the company in an independently administered fund Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company

Under the definitions set out in Financial Reporting Standard 17 Retirement Benefits, the defined benefit scheme is classed a 'multi-employer' scheme The scheme does not separately allocate assets and liabilities across each participating employer's staff membership Therefore, the scheme will be treated for the purposes of these accounts as if the scheme was a defined contribution scheme

The pension cost relating to defined benefit scheme is assessed every three years in accordance with the advice of a qualified actuary using the projected unit method The most recent actuarial valuation was prepared on 30 September 2009

The defined benefit scheme was closed to future accruals with effect from 1 September 2008 Prior to its closure, employer contributions to the scheme were calculated at 21 1% of pensionable pay No contributions were made to the scheme since its closure in 2008 until 16 June 2012

On 16 June 2012 the Company was acquired by CARE Fertility Holdings Ltd As a result of this transaction the group companies ceased to be participating employers in the General Healthcare Group Limited defined benefit scheme and the £1,884,000 Section 75 debt liability thereby arising was paid in full

Assets in respect of the defined contribution scheme are held separately from those of the company in an independently administered fund The pension charge represents contributions payable by the company to the fund and amounted to £248,000 (2011 £300,000) in the year

18 Deferred taxation

The movement in the deferred taxation provision during the period was

	Period from 1 Sep 11 to 16 Jun 12 £000	*Year to 31 Aug 11 £000*
At 1 September 2011	223	*243*
Profit and loss account movement arising during the period	(117)	*(20)*
At 16 June 2012	106	*223*

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	16 Jun 12 £000	*31 Aug 11 £000*
Excess of taxation allowances over depreciation on fixed assets	106	*223*
	106	*223*

19. Commitments under operating leases

At 16 June 2012 the company had annual commitments under non-cancellable operating leases as set out below

	16 Jun 12		*31 Aug 11*	
	Land and buildings £000	**Other Items £000**	*Land and buildings £000*	*Other Items £000*
Operating leases which expire				
Within 1 year	-	9	*15*	*31*
Within 2 to 5 years	150	20	*150*	*17*
After more than 5 years	288	-	*241*	-
	438	29	*406*	*48*

20. Related party transactions

As permitted by FRS8 (Related Party Transactions) no disclosure has been made of transactions or balances between group entities which have been eliminated on consolidation of CARE Fertility Group Limited

One of the premises in which the company's activities are carried out is leased from BMI Healthcare Limited which owns and operates these premises S J Collier is a director of BMI Healthcare Limited

BMI Healthcare Limited is a subsidiary of General Healthcare Holdings (3) Limited, a company that owned 50% of the issued share capital of Centres for Assisted Reproduction Limited prior to 16 June 2012 S J Collier is a director of General Healthcare Holdings (3) Limited On 16 June 2012 Care Fertility Group Limited was sold to Care Fertility Holdings Limited

Centres for Assisted Reproduction Limited is a wholly owned subsidiary of CARE Fertility Group Ltd

The premises that are leased from BMI Healthcare Limited provide for fixed rentals of £195,000 (2011 £195,000) per annum In addition, BMI Healthcare Limited provides certain support services The total value of goods and services provided in the period, included amounts funded on behalf of the company, amounted to £338,000 (2011 £526,000) and at 16 June 2012 the amount outstanding was £158,000 (2011 £84,000)

All transactions were conducted on an arm's length basis on normal trading terms

21. Share capital

Allotted, called up and fully paid:

	16 Jun 12		*31 Aug 11*	
	No	**£000**	*No*	*£000*
410 'A' ordinary shares £1 each shares of £1 each	410	-	*410*	-
500 'B' ordinary shares £1 each shares of £1 each	500	1	*500*	*1*
90 'C' ordinary shares £1 each shares of £1 each	90	-	*90*	-
	1,000	1	*1,000*	*1*

22. Profit and loss account

	Period from 1 Sep 11 to 16 Jun 12 £000	*Year to 31 Aug 11 £000*
Balance brought forward	7,140	*6,233*
Profit for the financial period	1,112	*3,807*
Equity dividends	–	*(2,900)*
Balance carried forward	8,252	*7,140*

23. Reconciliation of movements in shareholders' funds

	16 Jun 12 £000	*31 Aug 11 £000*
Profit for the financial period	1,112	*3,807*
Equity dividends	–	*(2,900)*
Net addition to shareholders' funds	1,112	*907*
Opening shareholders' funds	7,141	*6,234*
Closing shareholders' funds	8,253	*7,141*

24 Ultimate parent company

CARE Fertility Group Limited is the immediate parent company by virtue of its ownership of 100% of the share capital

The ultimate controlling party and parent is Bowmark LLP, an investment holding limited liability partnership registered in Great Britain