

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1994

FOR

PRESTIGE & SURREY NURSING GROUP LIMITED



INDEX TO THE FINANCIAL STATEMENTS

	Page
Company Information	1
Report of the Directors	2
Report of the Auditors	3
Profit and Loss Account	4
Balance Sheet	5
Notes to the Financial Statements	6
Trading and Profit and Loss Account	10

COMPANY INFORMATION

DIRECTORS: Mr P B Bruce
Mrs P Bruce

SECRETARY: Mrs P Bruce

REGISTERED OFFICE: 28 Church Street
Croydon
Surrey
CR0 1RB

REGISTERED NUMBER: 1006953

AUDITORS: Keyse Poulter Stern
Registered Auditor
92 Chiswick High Road
London
W4 1SH

REPORT OF THE DIRECTORS

The directors present their report with the financial statements of the company for the year ended 31 December 1994.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of Nursing Agents.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS AND TRANSFERS TO RESERVES

An interim dividend of £1.65 per share was paid on 31 December 1994. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 1994 will be £16,500 and the retained profit transferred to reserves will be £43,866.

DIRECTORS

The directors of the company in office during the year and their beneficial interests in the issued share capital were as follows:

<u>Name</u>	<u>Class of Capital</u>	<u>31.12.94</u>	<u>1. 1.94</u>
Mr P B Bruce	Ordinary Shares £1	5,000	5,000
Mrs P Bruce	Ordinary Shares £1	5,000	5,000

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which 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 judgments and 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

ON BEHALF OF THE BOARD:

Mrs P Bruce - Secretary

P. Bruce

Dated: 4 April 1995

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF
PRESTIGE & SURREY NURSING GROUP LIMITED

We have audited the financial statements on pages four to nine which have been prepared under the historical cost convention and the accounting policies set out on page six.

Respective responsibilities of directors and auditors

As described on page two the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Keyse Poulter Stern
Registered Auditor
92 Chiswick High Road
London
W4 1SH

Dated: 3rd April 1995

PRESTIGE & SURREY NURSING GROUP LIMITED

**PROFIT AND LOSS ACCOUNT
for the Year Ended 31 December 1994**

		1994	1993
	Notes	£	£
TURNOVER	2	603,368	413,937
Cost of Sales		222,465	167,083
GROSS PROFIT		380,903	246,854
Administrative Expenses		300,091	226,217
OPERATING PROFIT	4	80,812	20,637
Interest Receivable	5	1,073	2,400
		81,885	23,037
Interest Payable and Similar Charges	6	1,686	1,787
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		80,199	21,250
Tax on Profit on Ordinary Activities	7	19,833	5,669
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		60,366	15,581
Dividends	8	16,500	12,250
		43,866	3,331
Retained Profit brought forward		166,715	163,384
RETAINED PROFIT CARRIED FORWARD		£210,581	£166,715

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

PRESTIGE & SURREY NURSING GROUP LIMITED

BALANCE SHEET
As at 31 December 1994

		1994		1993	
	Notes	£	£	£	£
FIXED ASSETS:					
Intangible Assets	9		4,250		4,850
Tangible Assets	10		48,749		38,325
			<u>52,999</u>		<u>43,175</u>
CURRENT ASSETS:					
Debtors	11	272,459		199,406	
Cash at Bank and In Hand		4,756		1,163	
		<u>277,215</u>		<u>200,569</u>	
CREDITORS: Amounts falling due within one year	12	109,633		67,029	
		<u></u>		<u></u>	
NET CURRENT ASSETS:			167,582		133,540
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£220,581</u>		<u>£176,715</u>
CAPITAL AND RESERVES:					
Called Up Share Capital	13		10,000		10,000
Profit & Loss Account			210,581		166,715
			<u>£220,581</u>		<u>£176,715</u>
Shareholders' Funds	14		<u>£220,581</u>		<u>£176,715</u>

ON BEHALF OF THE BOARD:

Mr P B Bruce - DIRECTOR



Approved by the Board on 4th April 1995

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 1994

1. ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared under the historical cost convention.

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 1992, is being written off evenly over its estimated useful life of 10 years.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures & Equipment	- 10% on cost
Motor Vehicles	- 25% on written down value
Computer Equipment	- 20% on written down value

Deferred Taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

3. STAFF COSTS

	1994	1993
	£	£
Wages and Salaries	331,572	242,797
Social Security Costs	2,050	2,080
	<u>333,622</u>	<u>244,877</u>

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 1994

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

	1994	1993
Office and Management	<u>15</u>	<u>15</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	1994 £	1993 £
Depreciation - Owned Assets	12,179	10,212
Goodwill Written Off	600	600
Auditors' Remuneration	<u>6,023</u>	<u>5,008</u>
Directors' Emoluments	<u>22,390</u>	<u>22,390</u>

5. INTEREST RECEIVABLE

	1994 £	1993 £
Deposit Account Interest	<u>1,073</u>	<u>2,400</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	1994 £	1993 £
Bank Loans, Overdrafts and Other Loans repayable within five years:		
otherwise than by instalments	103	36
by instalments	<u>1,583</u>	<u>1,751</u>
	<u>1,686</u>	<u>1,787</u>

7. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	1994 £	1993 £
Based on the adjusted results of the year:		
UK Corporation Tax	19,833	5,612
Interest on Tax	-	57
	<u>19,833</u>	<u>5,669</u>

UK Corporation Tax has been charged at 25% (1993 - 25%).

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 1994

8. DIVIDENDS

	1994 £	1993 £
Equity shares:		
Interim - share type 1	16,500	-
Final - Ordinary Shares	-	12,250
	<u>16,500</u>	<u>12,250</u>

9. INTANGIBLE FIXED ASSETS

	Goodwill £
COST:	
As at 1 January 1994	
and 31 December 1994	12,500
AMORTISATION:	
As at 1 January 1994	7,650
Charge for Year	600
	<u>8,250</u>
As at 31 December 1994	
NET BOOK VALUE:	
As at 31 December 1994	£4,250
	<u>£4,850</u>
As at 31 December 1993	

10. TANGIBLE FIXED ASSETS

	Fixtures & Equipment £	Motor Vehicles £	Computer Equipment £	Totals £
COST:				
As at 1 January 1994	35,416	59,726	30,485	125,627
Additions	8,873	10,215	3,511	22,599
	<u>44,289</u>	<u>69,941</u>	<u>33,996</u>	<u>148,226</u>
As at 31 December 1994				
DEPRECIATION:				
As at 1 January 1994	25,799	37,640	23,859	87,298
Charge for Year	2,077	8,075	2,027	12,179
	<u>27,876</u>	<u>45,715</u>	<u>25,886</u>	<u>99,477</u>
As at 31 December 1994				
NET BOOK VALUE:				
As at 31 December 1994	£16,413	£24,226	£8,110	£48,749
	<u>£9,617</u>	<u>£22,084</u>	<u>£6,624</u>	<u>£38,325</u>
As at 31 December 1993				

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 1994

11. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	1994 £	1993 £
Trade Debtors	231,208	166,098
Other Debtors	5,813	4,077
Prepayments & Accrued Income	31,313	25,675
ACT Recoverable	4,125	3,556
	<u>272,459</u>	<u>199,406</u>

12. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	1994 £	1993 £
Directors Current Accounts	134	198
Other Creditors	22,000	22,000
V.A.T.	7,935	453
Other Taxes & Social Security	49,199	29,193
Taxation	24,417	9,168
Accrued Expenses	5,948	6,017
	<u>109,633</u>	<u>67,029</u>

13. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal Value:	1994 £	1993 £
20,000	Ordinary Shares	£1	<u>20,000</u>	<u>20,000</u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal Value:	1994 £	1993 £
10,000	Ordinary Shares	£1	<u>10,000</u>	<u>10,000</u>

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1994 £	1993 £
Profit for the Financial Year	60,366	15,581
Dividends	(16,500)	(12,250)
NET ADDITION TO SHAREHOLDERS' FUNDS	<u>43,866</u>	<u>3,331</u>
Opening Shareholders' Funds	<u>176,715</u>	<u>173,384</u>
CLOSING SHAREHOLDERS' FUNDS	<u>220,581</u>	<u>176,715</u>
Equity interests	<u>220,581</u>	<u>176,715</u>

PRESTIGE & SURREY NURSING GROUP LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT
for the Year Ended 31 December 1994

	1994		1993	
	£	£	£	£
Income:				
Commission	595,702		406,338	
Placement Income	3,475		6,730	
Surcharge Income	4,191		869	
		603,368		413,937
Cost of Sales:				
Direct Wages		222,465		167,083
GROSS PROFIT		380,903		246,854
Other Income:				
Deposit Account Interest		1,073		2,400
		381,976		249,254
Expenditure:				
Directors' Remuneration	22,390		22,390	
Social Security	2,050		2,080	
Salaries	86,717		53,324	
Telephone	23,830		18,933	
Staff Welfare	2,226		606	
Staff Travel & Sales Expenses	5,398		3,998	
Repairs & Renewals	1,522		1,029	
Computer Maintenance	4,896		3,878	
Office Cleaning	3,085		2,602	
Printing & Stationery	16,636		12,972	
Postage	(197)		(207)	
Staff Training	665		2,642	
Sundry Expenses	1,963		1,211	
Auditors Remuneration	6,023		5,008	
Legal and Professional Fees	5,754		3,084	
Yellow Pages Advertising	8,650		7,329	
Advertising	20,048		12,603	
Agency Fees	-		83	
Entertainment	1,429		1,117	
Bad Debts	(133)		229	
Motor & Travelling Expenses	8,478		8,105	
B U P A	2,778		2,528	
Nurses Insurance	4,505		2,013	
Motor Insurance	2,810		3,132	
Rent	30,670		23,779	
Rates & Water	6,962		3,162	
General Insurances	4,183		3,895	
Light & Heat	1,638		1,879	
Licences and Subscriptions	3,997		5,135	
Supervisors Uniform	-		97	
New Branch Launch & Set-up	519		1,755	
Carried forward	279,492	381,976	210,391	249,254

This page does not form part of the statutory financial statements

TRADING AND PROFIT AND LOSS ACCOUNT
for the Year Ended 31 December 1994

	1994		1993	
	£	£	£	£
Brought forward	<u>279,492</u>	<u>381,976</u>	<u>210,391</u>	<u>249,254</u>
		279,492		210,391
		102,484		38,863
Finance Costs:				
Bank Interest	103		36	
Loan	1,583		1,751	
Bank Charges	7,710		4,961	
Credit Card	<u>110</u>		<u>53</u>	
		9,506		6,801
		92,978		32,062
Depreciation:				
Fixtures & Equipment	2,077		1,190	
Motor Vehicles	8,075		7,362	
Computer Equipment	2,027		1,660	
Goodwill	<u>600</u>		<u>600</u>	
		12,779		10,812
NET PROFIT		<u>£80,199</u>		<u>£21,250</u>

This page does not form part of the statutory financial statements