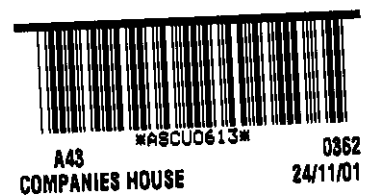


GOLCARE LIMITED  
ANNUAL REPORT & ACCOUNTS  
31 MARCH 2001  
Registered Number 1855768

TINDLE WILLIAMSON  
CHARTERED ACCOUNTANTS  
& REGISTERED AUDITORS



**GOLCARE LIMITED**

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**GOLCARE LIMITED**

**DIRECTORS AND OFFICERS**

DIRECTORS:	G.O. Lewis J.L. Lewis
COMPANY SECRETARY:	A.D. Michelson
COMPANY REGISTRATION NUMBER:	1855768
REGISTERED OFFICE:	Hillside Grange Sunderland Road Felling Tyne & Wear NE10 0BU
BANKERS:	Barclays Bank Plc. 446 Wingrove Road Newcastle Upon Tyne NE4 9BN
SOLICITORS:	Ward Hadaway Sandgate House 102 Quayside Newcastle upon Tyne NE1 3DX
REGISTERED AUDITORS:	Tindle Williamson Chartered Accountants Coliseum Building 248 Whitley Road Whitley Bay Tyne & Wear NE26 2TE

**GOLCARE LIMITED.**

**CHAIRMAN'S REPORT**

**Hillside Grange**

This year has been another year upgrading the quality of care and the bedrooms and by 31 December 2000 the home had completed additional en-suite bedroom facilities. During the year the occupancy fell dramatically for various reasons but once the renovated rooms became available again it only took a few months to gain maximum occupancy.

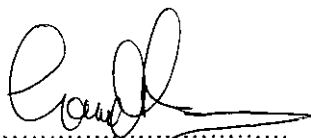
Negotiations continue with the Local Authority on rate increases and they have indicated that in future clients will be placed at the higher dependency rate. On implementation, this will make a significant contribution to an increase in turnover and profitability of this home.

**Bedewell Grange**

This home opened during October 2000 with full staffing although full occupancy was not achieved until January 2001. As a result there is only 5 months income for this home in the accounts for the year ended 31 March 2001.

The home has also incurred non-recurring start up costs for staff training, advertising and interest on loan during construction of this new home.

The home is now achieving maximum occupancy (over 95%) and there appears to be no funding problems with the Local Authority who places all clients at the higher dependency.



G. O. Lewis (Director)

31 October 2001

**GOLCARE LIMITED**  
**DIRECTORS REPORT**

The directors present their report and financial statements of the year ended 31 March 2001.

**ACTIVITIES**

The principal activity of the company continues to be the provision of private medical care for elderly people.

**RESULTS & ACTIVITIES**

The profit for the year after taxation amounted to £45,829 (2000 £39,030) as shown on page 5.

**TAX STATUS**

In the opinion of the directors, the company is a Close Company within the meaning of S.414 Income Tax and Corporation Taxes Act 1988.

**DIRECTORS AND THEIR INTERESTS**

The Directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:-

	Number of Ordinary Shares of £1 each	
	2001	2000
G.O. Lewis	9,900	9,900
J.L. Lewis	100	100
	-----	-----
	10,000	10,000
	-----	-----

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Companies law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit and loss for that period. In preparing those accounts, the directors are required to:

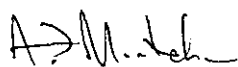
1. select suitable accounting policies and apply them consistently;
2. make judgements and estimates that are reasonable and prudent;
3. follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
4. prepare the accounts on the going concern basis unless it is appropriate 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 accounts comply with the Companies Act 1985. They are also responsible for safeguarding the asset of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**REGISTERED AUDITORS**

Tindle Williamson have expressed their willingness to continue as auditors and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

By Order of the Board on 31 October 2001.



A D MICHELSON  
Company Secretary

## **AUDITOR'S REPORT TO THE MEMBERS OF GOLCARE LIMITED**

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention as modified by the revaluation of certain properties and the accounting policies set out on page 7.

### **Respective Responsibilities of Directors and Auditors.**

As described above, the company's directors are responsible for the preparation of the 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 judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the Companies 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 the information in the financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 31 March 2001 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



TINDLE WILLIAMSON

Chartered Accountants

Coliseum Building

248 Whitley Road

Whitley Bay

Tyne & Wear

NE26 2TE

31 October 2001

**GOLCARE LIMITED .**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 MARCH 2001**

	<u>Notes</u>	<u>2001</u> £	<u>2000</u> £
<b>TURNOVER</b>	1	777,944	543,395
Cost of Sales		(384,980)	(252,755)
<b>GROSS PROFIT</b>		392,964	290,640
Administrative expenses		(223,051)	(172,906)
<b>OPERATING PROFIT</b>	2	169,913	117,734
Interest Receivable		--	242
Interest Payable	4	(124,084)	(59,314)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		45,829	58,662
Taxation	5	--	(19,632)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		45,829	39,030
Dividend Paid		(73,500)	(130,000)
<b>RETAINED LOSS FOR THE FINANCIAL YEAR</b>		<u>£(27,671)</u>	<u>£(90,970)</u>

**Continuing operations**

Turnover and operating profit derived wholly from continuing operations.

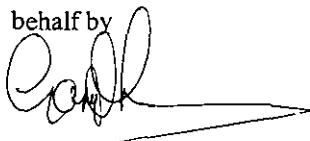
**Total recognised gains and losses**

There were no recognised gains or losses either in the current or preceding year other than those recorded in the profit and loss account.

**GOLCARE LIMITED****BALANCE SHEET AS AT 31 MARCH 2001**

	<u>Notes</u>	<u>2001</u> £	<u>2001</u> £	<u>2000</u> £	<u>2000</u> £
<b>FIXED ASSETS</b>					
Tangible Assets	6		2,354,258		1,133,165
<b>CURRENT ASSETS</b>					
Debtors	7	47,270		121,236	
Cash at Bank & in Hand		269		169	
		-----		-----	
		47,539		121,405	
<b>CREDITORS: Amounts falling due within one year</b>	8	201,680		115,336	
		-----		-----	
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			(154,141)		6,069
			-----		-----
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			2,200,117		1,139,234
 <b>CREDITORS: Amounts falling due after more than one year</b>					
	9		(1,552,562)		(646,968)
<b>Provision for liabilities and charges</b>	11		(7,075)		(7,075)
			-----		-----
			£640,480		£485,191
			=====		=====
<b>CAPITAL AND RESERVES</b>					
Called up share Capital	12		10,000		10,000
Revaluation Reserve	13		298,318		115,358
Profit and Loss Account	14		332,162		359,833
			-----		-----
<b>SHAREHOLDERS FUNDS</b>	15		£640,480		£485,191
			=====		=====

These financial statements were approved by the directors on 31 October 2001 and are signed on their behalf by



G.O. Lewis  
Director



## **GOLCARE LIMITED**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001**

#### **1. ACCOUNTING POLICIES**

##### **Accounting Basis and Standards**

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

##### **Cash Flow Statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the grounds that the company is small.

##### **Turnover**

The turnover shown in the profit and loss account represents fees invoiced in respect of services provided during the year.

##### **Tangible Fixed Assets and Depreciation**

Tangible fixed assets with the exception of Freehold Property which were re-valued on 12 March 2001, are stated at their cost price.

Depreciation is calculated to write off the cost of each asset, net of any residual value, evenly over its expected useful life as follows:

Freehold Property	0%
Long Leasehold Property	0%
Computer Equipment, Fixtures & Fittings	10%
Motor Vehicles	25%

Depreciation is not provided for on property, which is a departure from the requirements of Statement of Standard Practice 12. The directors consider that the standard of maintenance and repair is sufficient to maintain the properties at their historic cost valuation and that any such depreciation charge would not be material in the context of these financial statements.

##### **Leasing and Hire Purchase Commitments**

Rentals applicable to operating leases where substantially all benefits and risk of ownership remains with the lessor are charged against profits as incurred.

Assets held under finance leases and hire purchase contracts are capitalized and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability. The interest element of rental obligations is charged to profit and loss account over the period of the lease at a constant proportion of the outstanding balance of capital.

##### **Pensions**

The company has a defined contribution pension scheme. The cost of the contributions made by the company to the scheme are charged to the profit and loss account as incurred.

##### **Deferred Taxation**

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

**GOLCARE LIMITED.****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001 (CONTINUED)****2. OPERATING PROFIT**

	<u>2001</u>	<u>2000</u>
	£	£
Operating profit is stated after charging:		
Depreciation	18,428	14,450
Depreciation on assets held under hire purchase	11,627	7,935
Audit Fees	1,401	987
Operators lease costs:		
Equipment and Vehicles	9,081	7,781
	=====	=====

**3. DIRECTORS' EMOLUMENTS**

	<u>2001</u>	<u>2000</u>
	£	£
Aggregate emoluments	£55,590	£59,869
	=====	=====

**4. INTEREST**

	<u>2001</u>	<u>2000</u>
	£	£
Finance Charges	4,504	2,366
Other Interest	119,580	56,948
	-----	-----
	£124,084	£59,314
	=====	=====

**5. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	<u>2001</u>	<u>2000</u>
	£	£
Corporation Tax based on the results for the year at 10% (2000 20%)	--	12,865
Deferred taxation	--	(1,585)
Prior year adjustment	--	8,352
	-----	-----
	£ --	£19,632
	=====	=====

**GOLCARE LIMITED****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001 (CONTINUED)****6. TANGIBLE FIXED ASSETS**

	Freehold Property £	Leasehold Property £	Equipment & Furniture £	Motor Cars £	Total £
<b>Cost or Valuation</b>					
At 1 April 2000	190,269	854,661	153,818	32,125	1,230,873
Additions	910,878	11,232	146,078	--	1,068,188
Revaluation	148,853	34,107	--	--	182,960
	-----	-----	-----	-----	-----
<b>At 31 March 2001</b>	<b>£1,250,00</b>	<b>£900,000</b>	<b>£299,896</b>	<b>£32,125</b>	<b>£2,482,021</b>
	-----	-----	-----	-----	-----
<b>Depreciation</b>					
At 1 April 2000	--	--	88,318	9,390	97,708
On Disposals	--	--	--	--	--
Charge for Year	--	--	22,025	8,030	30,055
	-----	-----	-----	-----	-----
<b>At 31 March 2001</b>	<b>£ --</b>	<b>£ --</b>	<b>£110,343</b>	<b>£17,420</b>	<b>£127,763</b>
	-----	-----	-----	-----	-----
<b>Net Book Value</b>					
<b>31 March 2001</b>	<b>£1,250,000</b>	<b>£900,000</b>	<b>£189,553</b>	<b>£14,705</b>	<b>£2,354,258</b>
	=====	=====	=====	=====	=====
<b>31 March 2000</b>	<b>£ 190,269</b>	<b>£854,661</b>	<b>£ 65,500</b>	<b>£22,735</b>	<b>£1,133,165</b>
	=====	=====	=====	=====	=====

Cost or Valuation at 31 March 2001 is represented by:

Valuation - 12 March 2001					
	1,250,000	900,000	--	--	2,150,000
Cost	--	--	189,553	14,705	204,258
	-----	-----	-----	-----	-----
	<b>£1,250,000</b>	<b>£900,000</b>	<b>£189,553</b>	<b>£14,705</b>	<b>£2,354,258</b>
	=====	=====	=====	=====	=====

The properties were valued by Taylors Business Surveyors and Valuers on an estimated realisation price.

Net book value of assets held under hire purchase contracts.

	Equipment & Fittings	Motor Cars	Total £
31 March 2001	£82,720	£14,705	£97,425
	=====	=====	=====
31 March 2000	£ --	£22,735	£22,735
	=====	=====	=====

**GOLCARE LIMITED****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001 (CONTINUED)****7. DEBTORS**

	<u>2001</u>	<u>2000</u>
	£	£
Trade Debtors	11,325	2,491
Other Debtors	150	400
Prepayments	650	615
Related Parties	35,145	35,145
Directors Loan	--	82,585
	-----	-----
	£47,270	£121,236
	=====	=====

**8. CREDITORS: Amounts falling due within one year**

	<u>2001</u>	<u>2000</u>
	£	£
Bank loans and overdraft (Secured) (Note 9)	38,290	45,981
Obligations under finance leases	30,577	3,705
	-----	-----
	68,867	49,686
Trade Creditors	49,855	27,149
Corporation Tax	12,865	12,865
Taxation and social security	2,804	11,121
Accruals	29,795	14,515
Directors Loan	37,494	--
	-----	-----
	£201,680	£115,336
	=====	=====

**9. CREDITORS: Amounts falling due after more than one year**

	<u>2001</u>	<u>2000</u>
	£	£
Bank Loans	1,424,940	558,263
Hire Purchase Contracts	59,622	20,705
Pension Fund	68,000	68,000
	-----	-----
	£1,552,562	£646,968
	=====	=====
 Obligations under finance leases	 £90,199	 £24,410
	=====	=====
Debt due after more than one year		
Repayable within one year	30,577	3,705
Repayable between one and five years	59,622	20,705
	-----	-----
	£90,199	£24,410
	=====	=====
 Repayable after more than five years	 £1,424,940	 £558,263
	=====	=====

Mr G O Lewis has given personal guarantees for all loans and overdrafts.

**GOLCARE LIMITED****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001 (CONTINUED)****10. CAPITAL COMMITMENTS**

	<u>2001</u>	<u>2000</u>
	£	£
Capital commitments	--	--
<b>Operating leases</b>	£ Plant	£ Plant

The company had annual commitments under non-cancellable leases as follows:

Within one year	6,149	3,655
Between two and five years	8,314	2,957
	-----	-----
	£14,463	£6,612
	=====	=====

**11. PROVISION FOR LIABILITIES AND CHARGES**

	<u>2001</u>	<u>2000</u>
	£	£
<b>Deferred Taxation</b>		
Accelerated capital allowances	£7,075	£7,075
	=====	=====

Further potential liabilities may exist in relation to unrealized surpluses on revaluation. Such liabilities cannot be accurately quantified due to the incidence of indexation, taper relief and other reliefs, which might be available at the time of realisation.

**12. SHARE CAPITAL**

	<u>2001</u>	<u>2000</u>
	£	£
<b>Authorised</b>		
Ordinary Shares of £1 each	£500,000	£500,000
	=====	=====
<b>Allotted called up and fully paid</b>		
Ordinary shares of £1 each	£10,000	£10,000
	=====	=====

**13. REVALUATION RESERVE**

	<u>2001</u>	<u>2000</u>
	£	£
Surplus on revaluation of properties		
As at 1 April 2000	115,358	115,358
Surplus on revaluation 12 March 2001	182,960	--
	-----	-----
	£298,318	£115,358
	=====	=====

**GOLCARE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2001**

**14. PROFIT AND LOSS ACCOUNT**

	<u>2001</u>	<u>2000</u>
	£	£
Balance brought forward	359,833	450,803
Retained loss for the financial year	(27,671)	(90,970)
	-----	-----
	£332,162	£359,833
	=====	=====

**15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS**

	<u>2001</u>	<u>2000</u>
	£	£
Profit for the financial year	45,829	39,030
Movement in revaluation reserve	182,960	--
	-----	-----
<b>Total recognised gains and losses arising during year</b>	<b>228,789</b>	<b>39,030</b>
Dividend	(73,500)	(130,000)
	-----	-----
Total movement in the year	155,289	(90,970)
Opening shareholders' equity funds	485,191	576,161
	-----	-----
Closing shareholders' equity funds	£640,480	£485,191
	=====	=====