

Registered number
1941650

Haven Services Limited

Directors Report and consolidated
financial statements
30 September 2000



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Haven Services Limited
Report and accounts
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Haven Services Limited
Chairman's Statement

The company continued the expansion of its homecare activities during the year, both through its own operations and through those of its subsidiary companies. In addition, the company significantly expanded its interest in specialist recruitment via the acquisition of Direct Manpower Ltd (trading as Direct Medical Services), a company supplying locum doctors to the Health Service, for an initial consideration of £1.5million. Turnover for the group grew to £11 million for the year ended 30 September 2000 (Year ended 31 March 1999 : £10m) and operating profits were £1,075,000 (1999: £700,000).

By 30 September 2000, the weekly number of hours of homecare provided was 39,000 (1999: 32,000). The adoption of the 'Care UK Homecare' brand style in April 2000 was successful and contributed to our further success in winning new contracts in Sheffield, Newcastle Upon Tyne and Southampton.

During the year, Richmond Domiciliary Care Services and Wolverhampton and Carefree Limited in London were acquired by the group. The group also acquired the former Arcadia Homecare businesses in Sunderland and Wolverhampton, which enhanced our presence in the North East of England and brought economies of scale to the West Midlands region. In May the company's expansion continued with the acquisition of Help at Home in South East London operating large scale contracts with the boroughs of Greenwich and Bromley.

Despite pressure on margins arising from the increased costs of implementing the Working Time Directive and general pay costs, the group has nevertheless had an excellent year and looks forward to continued success in the future.

RS Clough
Director

Haven Services Limited

Directors' Report

The directors present their report and accounts for the year ended 30 September 2000.

Principal activities and review of the business

The company's principal activity is the provision of homecare services. It has subsidiary companies also providing homecare services plus subsidiaries specialising in the supply of locum doctors to the National Health Service.

Business Review

A review of the current years trading is given in the Chairman's statement.

Results and dividends

The profit retained within the company was £451,000 (Year ended 30 September 1999: £392,000)

No dividend was proposed or paid during the year (Dividend paid 30 September 1999: £Nil).

Directors

The directors who served during the year were as follows:

R S Clough (Chairman)
J R S Bryant
S Kenney (resigned 30 June 2001)
R I Booker
C J Scott
A P T Russell
C J Weeks (appointed 27 September 2000)

The interests of Mr R S Clough, J R S Bryant and S Kenney in the shares of the ultimate parent company, Care UK plc are shown in the financial statements for that company. The interest of the other directors are disclosed below:-

	Class of share	Interest at the end of the period	Interest at the beginning of the period
RI Booker	10p Ordinary Shares	6,628	4,850
APT Russell	10p Ordinary Shares	32,428	38,096
CJ Scott	10p Ordinary Shares	14,323	13,534

Directors' interests in share options are disclosed in note 5.

Haven Services Limited
Directors' Report

Employees

It is group policy to give fair consideration to the employment needs of disabled people to comply with current legislation with regard to disabled persons and, wherever practicable, to continue to employ and promote the careers of existing employees, who become disabled and to consider disabled persons for employment, subsequent training, career development and promotion on the basis of their aptitude and abilities. Management regularly visit local offices and discuss matters of current interest and concern to the business with members of staff.

Creditors Payment Policy

The company and group endeavours to ensure all payments to suppliers are made within mutually agreed credit terms although it does not allow any specified code on standard payment practice. In case where difficulties arise the company and group seeks to resolve these promptly and amicably to minimise delays in payment.

As at 30 September 2000 the number of billing days outstanding to suppliers by the company was 71 days (1999 :105 days).

Political and Charitable contributions

The company made no political or charitable contributions during the year (Year ended 30 September 1999 : £Nil)

Auditors

In accordance with section 384 of the Companies Act 1985, a resolution to reappoint KPMG Audit Plc as auditors will be put to the members of the Annual General Meeting.

This report was approved by the board on 27 July 2001.



R I Booker
Director

Haven Services Limited
Statement of Directors' Responsibilities

Company 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 group and of the profit or loss for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and group and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Haven Services Limited
Auditors' Report

Report of the auditors
to the members of Haven Services Limited

We have audited the financial statements on pages 6 to 20.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 4, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our professions ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and representations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts and of whether the accounting policies are appropriate to the groups 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company and group affairs as at 30th September 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants and Registered Auditors

27 July 2001

6 Lower Brook Street
Ipswich
Suffolk
IP4 1AP

Haven Services Limited
Consolidated profit and loss account
for the year ended 30 September 2000

	Notes	2000 £'000	1999 £'000
Turnover			
Continuing activities		11,155	9,519
Acquisition		<u>3,625</u>	<u>-</u>
	2/3	<u>14,780</u>	<u>9,519</u>
 Cost of sales		 (9,425)	 (6,055)
 Gross profit		 <u>5,355</u>	 <u>3,464</u>
 Administrative expenses		 (4,280)	 (2,764)
 Operating profit			
Continuing activities		655	700
Acquisition		<u>420</u>	<u>-</u>
	4	<u>1,075</u>	<u>700</u>
 Interest payable	7	 (322)	 (140)
 Profit on ordinary activities before taxation		 <u>753</u>	 <u>560</u>
 Tax on profit on ordinary activities	8	 (302)	 (168)
 Profit for the financial year		 <u>451</u>	 <u>392</u>
 Retained profit for the financial year	19	 <u>451</u>	 <u>392</u>

Continuing operations

None of the company's activities were discontinued during the above two financial years.

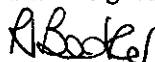
Statement of total recognised gains and losses

The company has no recognised gains or losses other than the profit for the above two financial years.

Haven Services Limited
Consolidated Balance Sheet
as at 30 September 2000

	Notes	2000 £'000	1999 £'000
Fixed assets			
Intangible assets	9	6,392	1,851
Tangible assets	10	683	346
Investments	11	3	3
		<u>7,078</u>	<u>2,200</u>
Current assets			
Stocks	12	26	112
Debtors	13	7,080	5,936
Cash at bank and in hand		997	11
		<u>8,103</u>	<u>6,059</u>
Creditors: amounts falling due within one year	14	(7,629)	(3,047)
Net current assets		<u>474</u>	<u>3,012</u>
Total assets less current liabilities		<u>7,552</u>	<u>5,212</u>
Creditors: amounts falling due after more than one year	15	(2,538)	(649)
Net Assets		<u>5,014</u>	<u>4,563</u>
Capital and reserves			
Called up share capital	18	300	300
Profit and loss account	19	4,714	4,263
Shareholders' funds:	20	<u>5,014</u>	<u>4,563</u>

These financial statements were approved by the board of directors on 27 JULY 2001.
and were signed on its behalf by:

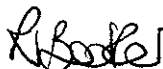


RI Booker
Director

Haven Services Limited
Company Balance Sheet
as at 30 September 2000

	Notes	2000 £'000	1999 £'000
Fixed assets			
Tangible assets	10	289	110
Investments	11	8,568	3,918
		<u>8,857</u>	<u>4,028</u>
Current assets			
Stocks	12	13	100
Debtors	13	4,604	4,086
Cash at bank and in hand		2	85
		<u>4,619</u>	<u>4,271</u>
Creditors: amounts falling due within one year	14	(4,958)	(1,434)
Net current (liabilities)/assets		<u>(339)</u>	<u>2,837</u>
Total assets less current liabilities		<u>8,518</u>	<u>6,865</u>
Creditors: amounts falling due after more than one year	15	(2,521)	(643)
Net Assets		<u>5,997</u>	<u>6,222</u>
Capital and reserves			
Called up share capital	18	300	300
Profit and loss account	19	5,697	5,922
Shareholders' funds:	20	<u>5,997</u>	<u>6,222</u>

These financial statements were approved by the board of directors on 27 JULY 2001 and were signed on its behalf by:



RI Booker
Director

Haven Services Limited
Notes to the Accounts
for the year ended 30 September 2000

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group financial statements.

Basis of Preparation

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

The company is exempt from the requirement of Financial Reporting Standard No 1 to prepare a cash flow statement as it is a wholly owned subsidiary of Care UK plc and its cash flows are included within the consolidated cash flow statements of that company.

As the company is a wholly owned subsidiary of Care UK plc, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Care UK plc, within which this company is included, can be obtained from the address given in note 24.

Basis for consolidation

The group accounts consolidate the accounts of Haven Services Limited and its subsidiary undertakings, made up to 30 September 2000.

Where a subsidiary is consolidated under acquisition accounting rules and the fair value of the purchase consideration exceeds the fair value of the net asset acquired, the difference is treated as purchased goodwill. In accordance with FRS 10, the goodwill arising on acquisitions from 1 October 1998 is capitalised in the balance sheet as an intangible fixed asset and amortised over its estimated economic life. Goodwill arising on acquisitions prior to this date was taken directly to reserves in the year of acquisition. On the disposal of businesses, unamortised goodwill in the balance sheet or goodwill previously taken to reserves is taken to the profit and loss account.

In the company accounts, investments in subsidiary and associated undertakings are stated at cost. Dividends received and receivable are credited to the company's profit and loss account to the extent that they represent a realised profit to the company.

In accordance with section 230 of the Companies Act 1985 Haven Services Limited is exempt from the requirement to present its own profit and loss account. The loss for the financial year is disclosed in note 19.

Depreciation

Freehold and long leasehold land and buildings are carried in the financial statements at cost or professional valuation.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold and long leasehold buildings	2%	On cost less residual value of 30% over the period of the lease
Motor Vehicles	25%	
Furniture, fittings and equipment	10% to 33%	

Haven Services Limited
Notes to the Accounts
for the year ended 30 September 2000

Accounting policies (continued)

Stocks

Stock is valued at the lower of cost and net realisable value.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred taxation only to the extent it is probable that an actual liability will crystallise.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

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

Goodwill

The group has adopted the requirements of FRS10 'Goodwill and Intangible Assets'. Goodwill being the difference between the fair value of consideration given and the fair value of the separable net assets acquired, arising on acquisition prior to 30 September 1998, will remain written off against reserves unless the business with which the goodwill was acquired is disposed of or closed, in which case the goodwill will be charged or credited in the profit and loss account. Goodwill arising on all acquisitions since 1 October 1998 will be capitalised in the year in which it arises and amortised on a straight line basis over its useful economic life.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Turnover

Turnover represents fees for the provision of care services, at invoiced amounts less value added tax, where applicable.

3 Analysis of continuing operations

	Continuing £'000	Acquisitions £'000	2000 Total £'000	1999 Total £'000
Turnover	11,155	3,625	14,780	9,519
Cost of Sales	(7,121)	(2,304)	(9,425)	(6,055)
Gross Profit	4,034	1,321	5,355	3,464
Administrative expenses	(3,379)	(901)	(4,280)	(2,764)
Operating Profit	655	420	1,075	700

Haven Services Limited
Notes to the Accounts
for the year ended 30 September 2000

4 Operating profit	2000	1999
	£'000	£'000
<i>Operating profit is stated after charging</i>		
Depreciation of owned fixed assets	146	80
Depreciation of assets held under finance leases and hire purchase contracts	30	27
Amortisation of goodwill	227	-
Operating lease rentals - plant and machinery	10	12
Operating lease rentals - vehicles	-	12
Operating lease rentals - property	151	215
Audit Fees	20	12
Non Audit Services	12	7
	<hr/>	<hr/>
5 Directors' emoluments	2000	1999
	£'000	£'000
Emoluments	141	140
	<hr/>	<hr/>
Company contributions to personal pensions	6	6
	<hr/>	<hr/>
	Number of Directors	
	2000	1999
Retirement benefits are accruing to the following number of directors	4	3
	<hr/>	<hr/>
The number of directors who exercised share options	2	3
	<hr/>	<hr/>

Share Options

Share options have been granted and are still outstanding under the Care UK plc No. 2 Performance Related Share Option Executive Scheme, the Care UK plc SAYE Scheme and the Care UK plc Performance Related Share Option Scheme.

On 29 May 1996 the Remuneration Committee of Care UK plc approved the establishment of a performance related share option scheme.

The first grant of options initially become exercisable in three equal tranches in the years 1999 to 2001. They may then be exercised up to 27 August 2003. The performance targets for each tranche require, subject to exceptional circumstances, that the aggregate of the previous three year's earnings per share of Care UK plc reflects a compound growth rate of at least 20% per annum with a minimum growth in any one year of 10%. The starting earnings per share of 4.83p are those for the year ended 30 September 1995.

The second grant of options initially become exercisable in the three equal tranches in the years 2002 to 2004. They may then be exercised up to 4 January 2006. The performance targets for each tranche require, subject to exceptional circumstances, that earnings per share of Care UK plc for the previous three years must not be less than those for the base year increased by RPI plus 5% with yearly rests. The earnings per share for the base year for the first tranche of options is 10.08p being for the year ended 30 September 1998.

The third grant of options initially become exercisable in three equal tranches in the years 2002 to 2004. They may be exercised up until 20 July 2006. The performance targets for each tranche require, subject to exceptional circumstances, that profits before tax per share for the previous three years must not be less than these for the base year increased by 12.5% with yearly rests and subject to minimum growth in the earnings per share in any one year of 10%. The profit before tax per share for the year ended 30 September 1998, the base year, is 11.82p and for earnings per share is 10.08p

Directors Emoluments (Continued)

No 2 Executive Scheme

The No.2 Executive scheme was an unapproved scheme introduced in 1994. It has subsequently been approved by the Inland Revenue, although options which are unapproved may also be granted under the scheme. The options granted under this scheme are generally exercisable between the third and tenth anniversaries of the grant date.

SAYE Scheme

Options granted on 31 March 1995 are normally exercisable on the fifth anniversary of the commencement of the related savings contract. Options granted thereafter are normally exercisable on the third anniversary of the commencement of the related savings contracts.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of group companies were granted to any of the directors or their immediate families or exercised by them during the financial year except as indicated below:

	At start of year or date of appointment	Granted	Exercised	Number of options during the year			
				Ordinary shares of Care UK plc			
				At end of year	Exercise price	Date from which exercisable	Expiry date
RI Booker							
No.2 Executive scheme	35,527	-		35,527	76p	Jan 1999	Jan 2003
	20,000	-		20,000	113p	Jul 1999	Jul 2003
	4,928	-	(4,928)	-	56p	May 2000	Nov 2000
SAYE Scheme	683			683	170p	Aug 2002	Feb 2003
		756		756	205p	Aug 2003	Feb 2004
Performance related scheme	105,000			105,000	99p	Aug 1999	Aug 2003
	75,000			75,000	220.5p	Jul 2002	Jul 2006
CJ Scott							
Performance related scheme	10,000			10,000	145p	Jan 1999	Jan 2003
	5,000			5,000	145p	Dec 2000	Dec 2007
SAYE Scheme	3,080		(3,080)	-	56p	May 2000	Nov 2000
	4,105		(4,105)	-	95p	Aug 2000	Feb 2001
	576			576	169p	Aug 2001	Feb 2002
	2,279			2,279	170p	Aug 2002	Feb 2003
		2,362		2,362	205p	Aug 2003	Feb 2004
Profit related scheme	50,000			50,000	220.5p	Jul 2002	Jul 2006
APT Russell							
No.2 Executive scheme	100,000			100,000	159.5p	Feb 2001	Feb 2008
SAYE Scheme	4,615			4,615	169p	Aug 2001	Feb 2002
Performance related scheme	50,000			50,000	220.5p	Jul 2002	Jul 2006
CJ Weeks (appointed 27/09/00)							
No. 2 Executive Scheme	2,500	-	-	2,500	214.5p	Jan 2002	Jan 2009
	2,000		-	2,000	222.5p	Mar 2003	Mar 2010
SAYE	1,153			1,153	169p	Aug 2001	Feb 2002
	683			683	170p	Aug 2002	Feb 2003
	756			756	205p	Aug 2003	Feb 2004

The market value of shares of Care UK plc at 30 September 2000 was 249p per share and the price range during the year was from 210.5p to 263.5p per share.

Details of rights held, granted and exercised under the group share options schemes by Mr RS Clough, Mr JRS Bryant and Mr S Kenney are shown in the financial statements of Care UK plc.

On 7 June 2000 RI Booker exercised options at 56p over 4,928 ordinary shares of Care UK plc, all of which were immediately sold at 223.00p per share, giving rise to a gain which was subject to income tax. The market value of the shares on 7 June 2000 was 233p. On 2 May 2000 CJ Scott exercised options at 56p over 3,080 ordinary shares of Care UK plc. The market value of the shares on 2 May was 233p. On 1 August 2000 CJ Scott exercised options at 95p over 4,105 ordinary shares of Care UK plc. The market value of the shares on 1 August was 256p.

Haven Services Limited
Notes to the Accounts
for the year ended 30 September 2000

6 Staff costs

	2000	1999
	£'000	£'000
Wages and salaries	11,746	7,213
Social security costs	694	433
Other pension costs	16	220
	<u>12,456</u>	<u>7,866</u>
Average number of employees during the year	Number	Number
Management and Office Staff	173	110
Care services staff	2,174	1,494
	<u>2,347</u>	<u>1,604</u>

7 Interest payable

	2000	1999
	£'000	£'000
Bank loans and overdrafts	322	140
	<u>322</u>	<u>140</u>

8 Taxation

	2000	1999
	£'000	£'000
UK corporation tax	302	168
	<u>302</u>	<u>168</u>

9 Intangible fixed assets

Goodwill:	£'000
Cost	
At 1 October 1999	1,851
Additions	4,768
Disposals	-
At 30 September 2000	<u>6,619</u>
Amortisation	
At 1 October 1999	-
Provided during the year	227
On disposals	-
At 30 September 2000	<u>227</u>
Net book value	
At 30 September 2000	<u>6,392</u>
At 30 September 1999	<u>1,851</u>

Goodwill is being written off in equal annual instalments over its estimated economic life of 20 years.

Haven Services Limited
Notes to the Accounts
for the year ended 30 September 2000

10 Tangible fixed assets

<i>Group</i>	Freehold land and buildings £'000	Motor Vehicles £'000	Fixtures and Fittings £'000	Total £'000
Cost				
At 1 October 1999	-	145	475	620
Additions	-	76	279	355
Acquisition of Businesses	78	43	45	166
Disposals	-	(11)	(15)	(26)
At 30 September 2000	<u>78</u>	<u>253</u>	<u>784</u>	<u>1,115</u>
Depreciation				
At 1 October 1999	-	43	231	274
Charge for the year	-	40	136	176
On disposals	-	(3)	(15)	(18)
At 30 September 2000	<u>-</u>	<u>80</u>	<u>352</u>	<u>432</u>
Net book value				
At 30 September 2000	<u>78</u>	<u>173</u>	<u>432</u>	<u>683</u>
At 30 September 1999	<u>-</u>	<u>102</u>	<u>244</u>	<u>346</u>

Freehold land at valuation included above not depreciated is £78,000

Tangible Fixed Assets

<i>Company</i>	Motor Vehicles £'000	Fixtures and Fittings £'000	Total £'000
Cost			
At 1 October 1999	88	95	183
Additions	<u>65</u>	<u>172</u>	<u>237</u>
At 30 September 2000	<u>153</u>	<u>267</u>	<u>420</u>
Depreciation			
At 1 October 1999	28	45	73
Charge for the year	<u>22</u>	<u>36</u>	<u>58</u>
At 30 September 2000	<u>50</u>	<u>81</u>	<u>131</u>
Net book value			
At 30 September 2000	<u>103</u>	<u>186</u>	<u>289</u>
At 30 September 1999	<u>60</u>	<u>50</u>	<u>110</u>

Haven Services Limited
Notes to the Accounts
for the year ended 30 September 2000

11 Investments

	Other Investments £'000
Group	
Cost	
At 1 October 1999	3
At 30 September 2000	3

	Investments in subsidiary undertakings £'000
Company	
Cost	
At 1 October 1999	3,918
Additions	4,650
At 30 September 2000	8,568

Subsidiary Undertakings

Company	Country of origin or incorporation	Principle Activity	Class and percentage of Shares held
Carefree Limited	England	Provider of homecare in United Kingdom	Wholly owned £1 ordinary shares
Careline Limited	England	Provider of homecare in United Kingdom	Wholly owned £1 ordinary shares
Propharm Consultants Limited	England	Supplier of locum pharmacists in United Kingdom	Wholly owned £1 ordinary shares
Homecaring Limited	England	Provider of homecare in United Kingdom	Wholly owned £1 ordinary shares
Home Care North East Limited	England	Provider of homecare in United Kingdom	Wholly owned £1 ordinary shares
Direct Manpower Limited	England	Supplier of locum doctors and medical professionals in UK	Wholly owned £1 ordinary shares

Haven Services Limited
Notes to the Accounts
for the year ended 30 September 2000

11 Investments (continued)

The company acquired the whole of the share capital of Carefree Limited on 21 January 2000 and Direct Manpower Limited on 15 February 2000.

The book value of the assets and liabilities acquired were as follows:

Book and fair value	Carefree Ltd £'000	Direct Manpower Ltd £'000
<i>Net assets acquired:</i>		
Tangible fixed assets	29	137
Current Assets	134	546
Creditors due in less than one year	(89)	(354)
Fair value adjustment	-	-
	<u>74</u>	<u>329</u>
Creditors due in more than one year		(73)
	<u>74</u>	<u>256</u>
Goodwill	641	2,761
	<u>715</u>	<u>3,017</u>
 Satisfied by:		
cash on acquisition	500	225
cash post acquisition	40	17
loan notes	-	1,275
deferred consideration	175	1,500
	<u>715</u>	<u>3,017</u>

For Carefree the loss after taxation for the period from 6 April 1999 to 21 January 2000 was £38,000 and the profit after taxation for the financial year ended 5 April 1999 was £33,000. For Direct Manpower Services the profit after taxation for the period 1 April 1999 to 27 February 2000 was £96,000 after dividends of £64,000 and for the financial year ended 31 March 1999 was a loss of £2000 after dividends £87,500.

The goodwill on the above acquisitions has been calculated on provisional basis pending the outcome of matters requiring further assesment. The deferred consideration is dependent on the achievement of certain targets.

Other home care businesses acquired by the company during the year, not individually material:

	£'000
Goodwill	<u>1,366</u>
 Satisfied by:	
cash on acquisition	1,366
cash post acquisition	-
deferred consideration cash	-
deferred consideration unsecured loan notes	-
	<u>1,366</u>

Haven Services Limited
Notes to the Accounts
for the year ended 30 September 2000

12 Stocks

	Group		Company	
	2000	1999	2000	1999
	£'000	£'000	£'000	£'000
Stock for resale	-	100	-	100
Other	26	12	13	-
	<u>26</u>	<u>112</u>	<u>13</u>	<u>100</u>

13 Debtors

	Group		Company	
	2000	1999	2000	1999
	£'000	£'000	£'000	£'000
Trade debtors	2,845	2,494	613	554
Amounts owed by subsidiary undertakings	-	-	373	259
Amounts owed by group undertakings	3,381	3,246	3,381	3,241
Other debtors	233	95	1	5
Prepayments and accrued income	621	101	236	27
	<u>7,080</u>	<u>5,936</u>	<u>4,604</u>	<u>4,086</u>

14 Creditors: amounts falling due within one year

	Group		Company	
	2000	1999	2000	1999
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	1,763	33	692	-
Obligations under finance lease agreements (see note 16)	40	30	9	18
Trade creditors	334	328	468	33
Amounts owed to subsidiary undertakings	-	-	75	48
Other creditors including taxation and social Security:				
Corporation Tax	707	498	145	336
Taxation and Social Security	839	164	214	55
Other Creditors	2,027	1,176	1,824	709
Accruals and deferred income	644	818	256	235
Loan Notes (Unsecured)	1,275	-	1,275	-
	<u>7,629</u>	<u>3,047</u>	<u>4,958</u>	<u>1,434</u>

15 Creditors: amounts falling due after one year

	Group		Company	
	2000	1999	2000	1999
	£'000	£'000	£'000	£'000
Bank loans	2,500	625	2,491	625
Obligations under finance lease agreements (see note 16)				-
- repayable one to two years	8	18	9	12
- repayable two to five years	30	6	21	6
	<u>2,538</u>	<u>649</u>	<u>2,521</u>	<u>643</u>

The bank loans and overdraft bear interest at floating rates. They are a 5 year evergreen facility with no regular payments and are secured by fixed and floating charges over the current assets of the Group.

Haven Services Limited
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16 Obligations under finance leases and hire purchase contracts

	Group		Company	
	2000	1999	2000	1999
	£'000	£'000	£'000	£'000
Amounts payable:				
Within one year	40	30	9	18
Within two to five years	8	18	9	12
After five years	30	6	21	6
	<u>78</u>	<u>54</u>	<u>39</u>	<u>36</u>

17 Deferred taxation

	2000		1999	
	Provided	Unprovided	Provided	Unprovided
	£'000	£'000	£'000	£'000
Group				
Accelerated capital allowances	-	10	-	2
Other timing differences	-	(5)	-	(5)
	<u>-</u>	<u>5</u>	<u>-</u>	<u>(3)</u>
Company				
Accelerated capital allowances	-	5	-	(4)
Other timing differences	-	(5)	-	(5)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9)</u>

18 Share capital

	2000	1999
	£'000	£'000
Authorised, allotted, called up and fully paid		
Ordinary shares of £1 each	<u>300</u>	<u>300</u>

19 Reserves

	Profit and loss account
	£'000
Group	
At 1 October	4,263
Retained profit	<u>451</u>
At 30 September	<u>4,714</u>

The cumulative goodwill written off through the group accounts at 30 September 2000 was £2,197,000 (1999: £1,970,000)

Haven Services Limited
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Reserves (continued)

	Profit and loss account
Company	£'000
At 1 October	5,922
Retained loss	(225)
At 30 September	<u>5,697</u>

As permitted by section 230 of the Companies Act 1985 a separate profit and loss account dealing with the results of the company has not been presented.

20 Reconciliation of movement in shareholders' funds

	Group		Company	
	2000	1999	2000	1999
	£'000	£'000	£'000	£'000
Profit / (loss) for the financial year	451	392	(225)	(118)
Adjustment to deferred consideration	-	(14)	-	-
Net addition/(reduction) to shareholder's funds	<u>451</u>	<u>378</u>	<u>(225)</u>	<u>(118)</u>
Opening Shareholders funds	4,563	4,185	6,222	6,340
Closing Shareholders funds	<u>5,014</u>	<u>4,563</u>	<u>5,997</u>	<u>6,222</u>

21 Capital commitments

The annual payments committed under non-cancellable operating leases are set out below :

Group	2000		1999	
	Land and Buildings	Other	Land and Buildings	Other
	£'000	£'000	£'000	£'000
Other operating leases which expire within 1 year	176	-	100	-
2 to 5 years	365	-	62	-
After 5 years	157	-	18	-
	<u>698</u>	<u>-</u>	<u>180</u>	<u>-</u>

Company	2000		1999	
	Land and Buildings	Other	Land and Buildings	Other
	£'000	£'000	£'000	£'000
Other operating leases which expire within 1 year	32	-	11	-
2 to 5 years	35	-	24	-
After 5 years	47	-	-	-
	<u>114</u>	<u>-</u>	<u>35</u>	<u>-</u>

Haven Services Limited
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22 Pension scheme

The group had an Inland Revenue approved defined contribution scheme. On 1 August 1996, this scheme was changed to a defined contribution group personal pension plan. Contributions to this scheme are charged to the profit and loss evenly throughout the year. The assets of this scheme are held separately from those of the group in an independently administered fund. The pension cost charge for the year represents contributions payable by the group to the fund and amounted to £25,000 (1999 :£20,000).

23 Post balance sheet events

On 15 December 2000 the company acquired the entire share capital of All Care Cover (Chester) Limited for a consideration of £639,000 payable in cash. All Care Cover (Chester) Limited provides Nurses and Care staff to nursing and residential homes in Chester.

24 Ultimate parent company and parent undertaking of larger group

The company is a subsidiary undertaking of Care UK plc, a company incorporated and registered in England and Wales which is the ultimate parent company. Copies of the financial statements of Care UK plc are available from its registered office at Connaught House, Severalls Park, Colchester, Essex, CO4 4QR.