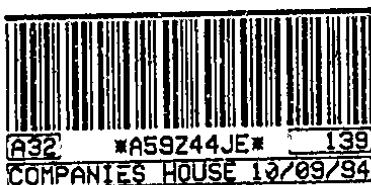


CARE HAVEN LIMITED
REPORT AND ACCOUNTS
YEAR ENDED 31 MARCH 1994



CLARK WHITEHILL
Chartered Accountants

25 New Street Square London EC4A 3LN
Telephone (071) 583 1577 Facsimile (071) 583 1720
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CARE HAVEN LIMITED
REPORT OF THE DIRECTORS
YEAR ENDED 31 MARCH 1994

DIRECTORS: R C Storey (Resigned 30 April 1993)
S Dhandra
N Dhandra
J W White (Resigned 30 June 1994)
A L Robinson
S Manoharan (Appointed 1 June 1993)

The directors have pleasure in presenting their report and accounts for the year ended 31 March 1994

RESULTS AND DIVIDENDS

The results for the year are shown on page 4.

REVIEW OF THE BUSINESS

The principal activity of the company is design and project management

TANGIBLE FIXED ASSETS

Details of changes in the fixed assets of the company are set out in note 7 to the accounts.

DIRECTORS INTERESTS

The disclosable interests of the directors in the share capital of the ultimate parent company Associated Nursing Services plc, are set out as below:

	Ordinary shares of 10p each	
	At 31 March 1994	At 1 April 1993
J W White	36,133	38,997
S Manoharan	.	.*

*at date of appointment

All the other directors at 31 March 1994 are also directors of the ultimate parent company. Their interests are disclosed in that company's accounts

AUDITORS

The auditors, Clark Whitehill, will retire at the forthcoming Annual General Meeting and offer themselves for re-appointment

By Order of the Board

Robert Wain

Secretary
6 July 1994

CARE HAVEN LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 1994

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the company's state of affairs at the end of the year and of its profit or loss for the 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 accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to assume 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 assets of the company and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.



CLARK WHITEHILL

Chartered Accountants

25 New Street Square London EC4A 3FN
Telephone 071 353 1577 Fax 071 583 1720

DX 0014 London Chancery Lane
AUDITORS' REPORT

TO THE SHAREHOLDERS OF CARE HAVEN LIMITED

We have audited the accounts on pages 4 to 11 which have been prepared under the accounting policies set out on page 6 and 7.

Respective Responsibilities of Directors and Auditors

As described on page 2 the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 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 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 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 the information in the accounts.

Unqualified Opinion

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

Clark Whitehill

Chartered Accountants
and Registered Auditor

6 July 1994

CARF HAVEN LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 1994

	Notes	1994 £	(Restated) 1993 £
TURNOVER	2	7,519,265	3,916,228
Cost of Sales		<u>6,387,073</u>	<u>3,101,834</u>
GROSS PROFIT		1,132,192	814,394
Administrative expenses		<u>(910,554)</u>	<u>(472,042)</u>
OPERATING PROFIT	4	221,638	342,352
Interest payable and similar charges	5	<u>(7,553)</u>	<u>(3,600)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		214,085	338,752
Tax on profit on ordinary activities	6	<u>-</u>	<u>-</u>
RETAINED PROFIT FOR THE YEAR		<u>214,085</u>	<u>338,752</u>
RETAINED PROFIT at 1 APRIL 1993		338,752	-
Profit for the year		<u>214,085</u>	<u>338,752</u>
RETAINED PROFIT at 31 MARCH 1994		<u>552,837</u>	<u>338,752</u>

The profit and loss account contains all the gains and losses recognised in the year and the profit for the year retained represents the total movement in shareholders funds

The notes on pages 6 to 11 form part of these accounts.

CARE HAVEN LIMITED
BALANCE SHEET
31 MARCH 1994

	Notes	£	1994 £	1993 £
FIXED ASSETS				
Tangible assets:	7		97,018	80,262
CURRENT ASSETS				
Stocks	8	27,474		18,193
Debtors	9	2,188,765		1,673,037
Cash at bank and in hand		<u>336,526</u>		<u>232,016</u>
		2,552,765		1,923,246
CREDITORS: amounts falling due within one year	10	<u>2,053,744</u>		<u>1,632,819</u>
NET CURRENT ASSETS			<u>499,021</u>	<u>290,427</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			596,039	379,689
CREDITORS: amounts falling due after more than one year	11		<u>33,202</u>	<u>30,937</u>
NET ASSETS			<u>562,837</u>	<u>348,752</u>
Financed by:				
CAPITAL AND RESERVES				
Called up share capital	12		10,000	10,000
Profit and loss account			<u>552,837</u>	<u>338,752</u>
SHAREHOLDERS' FUNDS			<u>562,837</u>	<u>348,752</u>

Approved by the board on 6 July 1994
and signed on its behalf

 } Directors

The notes on pages 6 to 11 form part of these accounts.

CARE HAVEN LIMITED
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 1994

1. ACCOUNTING POLICIES

a) Basis of Accounting

These accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards. Financial Reporting Standard 3 has been adopted during the year, as a result of which the comparative figures have been restated.

b) Depreciation

Depreciation is provided on all tangible fixed assets in use, at rates calculated to write off the cost, in equal annual instalments of each asset over its expected useful life, as follows.

Motor vehicle	- 25%
Office equipment	- 20% - 33 1/3%
Plant, tools & equipment	- 20%

c) Stocks and Work in Progress

Stocks and work-in-progress are valued at the lower of cost and net realisable value. Cost is determined on a 'first in, first out' basis and in the case of work-in-progress and finished goods includes all direct expenditure and production and other overheads, based on normal levels of activity, incurred in bringing products to their present location and condition.

d) Long Term Contracts

Amounts recoverable on long term contracts, which are included in trade debtors, are stated at cost plus attributable profit less any foreseeable losses. Payments received on account of contracts are deducted from amounts recoverable on contracts

e) Deferred Taxation

Deferred taxation is accounted for using the liability method on all material timing differences to the extent that it is probable that liabilities or assets will crystallise. Timing differences are taxable items, allowances or reliefs which are given effect to in taxation periods different from those in which they have effect in accounts. They comprise mainly accelerated tax depreciation allowances and short term timing differences.

f) Leased Assets

Where the company has entered into finance leases, the obligations to the lessor are shown as part of borrowing and the rights in the corresponding assets are treated in the same way as owned fixed assets. Leases are regarded as finance leases where their terms transfer to the lessee substantially all the benefits and burdens of ownership other than the right to legal title. Rentals payable under operating leases are charged to the profit and loss account as incurred. Assets held under hire purchase contracts are accounted for as if held under finance leases

CARE HAVEN LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 1994

1. ACCOUNTING POLICIES (CONTINUED)

g) Cash Flow Statement

The company has not prepared a cash flow statement because it has taken advantage of the FRS 1 exemption from so doing on the basis that it is a wholly owned subsidiary and its ultimate parent company, Associated Nursing Services plc, has included such a statement in its own accounts.

2. TURNOVER

Turnover represents amounts invoiced to customers less trade discounts and excluding VAT. All turnover arises entirely in the United Kingdom.

3. DIRECTORS AND STAFF

	1994	1993
	£	£
a) Directors' emoluments:		
Other emoluments	<u>59,318</u>	<u>49,032</u>
Emoluments, excluding pension scheme contributions:		
Highest paid director	<u>45,000</u>	<u>41,518</u>
Other directors:	No	No.
£Nil - £5,000	<u>5</u>	<u>4</u>
b) Staff costs for all employees including directors:		
	£	£
Wages and salaries	447,298	290,919
Social security costs	44,594	29,092
Other pension costs	<u>4,367</u>	<u>5,310</u>
	<u>496,259</u>	<u>325,321</u>

The weekly average number of employees during the year was 34 (1993 - 24)

CARE HAVEN LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 1994

4. OPERATING PROFIT	1994	1993
	£	£
This is stated after charging		
Auditors' remuneration	4,500	6,600
Depreciation		
On owned assets	16,986	14,682
On assets held under hire purchase contracts	<u>23,707</u>	<u>27,704</u>

5. INTEREST PAYABLE	1994	1993
	£	£
Bank loans and overdrafts	-	(1,285)
Hire purchase	<u>7,553</u>	<u>4,885</u>
	<u>7,553</u>	<u>3,600</u>

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

Based on the profit for the year

Corporation tax at 34%

 - -

The taxation charge for the year has been reduced by, approximately £226,000 as a result of group relief surrendered.

CARE HAVEN LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 1994

7. TANGIBLE FIXED ASSETS

	Motor Vehicles £	Plant, Tools & Equipment £	Office Equipment £	Computers £	Total £
Cost					
1 April 1993	89,783	33,972	18,032	7,714	149,501
Additions	47,825	1,386	5,863	8, '94	63,568
Disposals	(28,550)	(14,269)	(11,390)		(54,209)
31 March 1994	109,058	21,089	12,505	16,208	158,860
Depreciation					
1 April 1993	25,759	19,636	10,010	4,834	60,239
Charge for the year	25,532	6,910	4,429	3,822	40,693
Disposals	(18,010)	(12,258)	(8,822)		(39,090)
31 March 1994	33,281	14,288	5,617	8,656	61,842
Net Book Values					
31 March 1994	75,777	6,801	6,888	7,552	97,018
<i>1 April 1993</i>	<i>64,024</i>	<i>14,336</i>	<i>8,022</i>	<i>2,880</i>	<i>89,262</i>

Assets held under hire purchase contracts included within the heading 'motor vehicles' were as follows

	1994 £	1993 £
Cost	101,758	69,422
Accumulated depreciation	30,848	12,323
Net Book Value	70,910	57,099

8. STOCKS

	1994 £	1993 £
Long term contract balances	27,474	18,193

Long term contract balances comprise net costs less foreseeable losses

CARF HAVEN LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 1994

9. DEBTORS	1994	1993
	£	£
Trade debtors	462,813	683,423
Amounts owed by group undertakings	1,482,624	829,111
Other debtors	140,178	140,182
Prepayments and accrued income	103,150	20,321
	<u>2,188,765</u>	<u>1,673,037</u>
 10. CREDITORS:	 1994	 1993
amounts falling due within one year	£	£
Trade creditors	810,706	544,691
Amounts owed to group undertakings	421,210	366,381
Other creditors	12,292	12,292
Other taxes and social security costs	14,647	61,363
Hire purchase liabilities	33,326	19,224
Accruals and deferred income	83,889	28,564
Construction accruals	677,674	600,304
	<u>2,053,744</u>	<u>1,632,819</u>
 11. CREDITORS:	 1994	 1993
amounts falling due after more than one year	£	£
Hire purchase liabilities	<u>33,202</u>	<u>30,937</u>
All hire purchase instalments fall due within five years of the balance sheet date		

CARE HAVEN LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 1994

12. SHARE CAPITAL	1994	1993
	£	£
Authorised		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Issued		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

13. ULTIMATE PARENT COMPANY

The ultimate parent company is Associated Nursing Services plc, a company registered in England and Wales.

14. PENSION COSTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension costs charge represents contributions payable by the company to the fund and amounted to £4,367 for the year.