

155(6)a

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Please complete legibly, preferably in black type, or bold block lettering

For official use

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Note

Please read the notes
on page 3 before
completing this form.

Name of company

* Bede Village Management Limited

- insert full name of company

1/1/78 David Duncan of Flat 46, The Piper Building, Peterborough Road,
London SW7 3EF

⇒ insert name(s) and address(es) of all the directors

- delete as appropriate

[the sole director] ~~XXXXXXXXXXXXXX~~ of the above company do solemnly and sincerely declare that:

The business of the company is:

- delete whichever is inappropriate

XX
for that of a recognised bank licensed institution within the meaning of the Banking Act 1978

[illegible]

insurance business in the United Kingdom.

(c) something other than the above§

The company is proposing to give financial assistance in connection with the acquisition of shares in the

~~XXXXXX~~ [company's holding company] Richmond Health Care
Limited

The assistance is for the purpose of [that acquisition] ~~(including or discharging a liability incurred for the purchase of that acquisition)~~

The number and class of the shares acquired or to be acquired is: 100 ordinary shares of £1
each

Presentor's name address and reference (if any) :

Berwin Leighton Paisner
Adelaide House, London
Bridge, London, , EC4R 9HA

For official Use
General Section



A18
COMPANIES HOUSE
COMPANIES HOUSE

0682
22/11/03
0375
10/11/03

The assistance is to be given to: (note 2) Barchester Healthcare Homes Limited
(registered number 2792285) of Suite 201, The Chambers, Chelsea Harbour, London
SW10 0XF (the "Purchaser")

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write in this
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Please complete
legibly, preferably
in black type, or
bold block
lettering

The assistance will take the form of:

Please see the attached Exhibit 1

The person who ~~has acquired~~ XXXXXXXXXX will acquire[†] the shares is:

[†] delete as
appropriate

the Purchaser

The principal terms on which the assistance will be given are:

Please see the attached Exhibit 2

The amount of cash to be transferred to the person assisted is £ Nil

The value of any asset to be transferred to the person assisted is £ Nil

The date on which the assistance is to be given is Within 8 weeks of today

~~Please do not~~ ~~write in this~~ ~~margin~~ ~~I/We~~ have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be

~~Please complete~~
~~legibly, preferably~~
~~in black type, or~~
~~old block lettering~~

~~Delete either (a) or~~
~~(b) as appropriate~~

found to be unable to pay its debts. (note 3)

(a) ~~I/We~~ have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)

(b) ~~It is intended to commence the winding up of the company within 12 months of that date, and I/we~~
~~have formed the opinion that the company will be able to pay its debts in full within 12 months of the~~
~~commencement of the winding up.]* (note 3)~~

~~I/We~~ And ~~I/We~~ make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at 10 Philpot Lane
London EC3M 8BR

Declarants to sign below

[Signature]

on

Day	Month	Year
22	10	2003

before me *[Signature]*

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths.

A Commissioner for Oaths
10 Philpot Lane,
London EC3M 8BR,
England
(Ruth M. Campbell)

NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.
- 5 The address for companies registered in England and Wales or Wales is:-

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

Company number: 02707797

BEDE VILLAGE MANAGEMENT LIMITED

Exhibit 1

- 1 The execution by the Company of a debenture (the "Mortgage Debenture") between the Company and The Royal Bank of Scotland Plc (the "Bank") containing fixed and floating charges over the whole of the Company's property, undertaking and assets.
- 2 The execution by the Company of an unlimited guarantee (the "Guarantee") pursuant to which the Company will guarantee the payment of, amongst other things, all moneys and liabilities due or incurred by Barchester Healthcare Limited to the Bank.

BEDE VILLAGE MANAGEMENT LIMITED

Exhibit 2

- 1 Under the Mortgage Debenture, the Company covenants to discharge the Company's obligations (being its liabilities to The Royal Bank of Scotland plc (the "Bank") of any kind and in any currency (whether present or future, actual or contingent and whether incurred alone or jointly with another) together with the Bank's charges and commissions, interest and expenses) and as a continuing security for such discharge and with full title guarantee, charges to the Bank:
 - 1.1 by way of legal mortgage all the freehold and leasehold property now vested in or charged to the Company including any Registered Land;
 - 1.2 by way of fixed charge all estates or interests in any freehold or leasehold property now and in the future vested in or charged to the Company (other than the property charged as aforesaid);
 - 1.3 by way of fixed charge all the fixtures and fittings from time to time attached to any freehold and leasehold property of the Company;
 - 1.4 by way of fixed charge all plant and machinery, vehicles and computer equipment of the Company present and future not regularly disposed of in the ordinary course of business and all associated warranties and maintenance contracts;
 - 1.5 by way of fixed charge all furniture, furnishings, equipment, tools and other chattels of the Company present and future not regularly disposed of in the ordinary course of business;
 - 1.6 by way of legal charge all rents receivable from any lease granted out of any freehold and leasehold property of the Company;
 - 1.7 by way of fixed charge all the goodwill and uncalled capital of the Company present and future;
 - 1.8 by way of fixed charge all stocks, shares and other securities of the Company present and future;

- 1.9 by way of fixed charge all stocks, shares and other securities of the Company present and future (other than those charged as aforesaid) and all income and rights derived from or attached to the same;
- 1.10 by way of fixed charge all intellectual property rights choses in action and claims of the Company present and future and the proceeds of any insurance from time to time affecting the Property;
- 1.11 by way of fixed charge the benefit of any currency or interest rate swap, cap or collar or other hedging agreement or any futures transaction or treasury instrument made with the Bank or any third party;
- 1.12 by way of fixed charge all book debts and other debts of the Company present and future and the proceeds of payment or realisation of each of them until the receipt of the proceeds from time to time into the Company's account with the Bank (or such other account as the Bank may specify from time to time);
- 1.13 by way of fixed charge all funds standing to the credit of the Company from time to time on any account with the Bank or any other bank or financial institution or organisation including all receipts from time to time paid into the Company's account with the Bank (or such other account as the Bank may specify from time to time); and
- 1.14 by way of floating charge all undertaking and all property assets and rights of the Company present and future not subject to a fixed charge as aforesaid.
- 2 Under the Guarantee, the Company guarantees to discharge on demand Barchester Healthcare Limited's ("Barchester Healthcare") obligation (being Barchester Healthcare's liabilities to the Bank of any kind and in any currency (whether present or future, actual or contingent and whether incurred alone or jointly with another) together with the Bank's charges and commission interest and expenses payable by Barchester Healthcare) with interest from the date of demand.



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DX 98914 Plympton

Private & confidential

The Royal Bank of Scotland Plc
Corporate Banking London
8th Floor
280 Bishopsgate
London
EC2M 4RB

Our ref ij/dt/715

Contact Ian J Brokenshire
01752 632292

22 October 2003

Dear Sirs

Report by the auditors of Bede Village Management Limited ('the Company') to The Royal Bank of Scotland Plc ('the bank')

This report is given in accordance with our engagement letter dated 22 October 2003 in connection with the proposed arrangement whereby the Company will give financial assistance for the purchase of its own shares, particulars of which are given in the attached copy of the statutory declaration made this day by the directors pursuant to Section 155(6) of the Companies Act 1985 ('the Act').

The purpose of this report is to assist the bank in considering whether the proposed arrangement is permitted under Section 155(2) of the Act and it is not intended to be used, quoted or referred to for any other purpose.

We have examined the board memorandum (a copy of which is attached, initialled by us for the purpose of identification), for which the directors are solely responsible and have enquired into the Company's state of affairs so far as necessary for us to review the bases for the board memorandum. Our enquiry did not constitute an audit under the provisions of the Companies Act 1985.

We confirm that as at the close of business on 22 October 2003 the aggregate of the Company's assets as stated in its accounting records exceeded the aggregate of its liabilities as so stated.

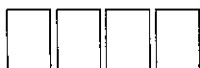
We are not aware of anything to indicate that the opinion expressed by the directors in the board memorandum is unreasonable in all the circumstances.

Yours faithfully

KPMG LLP

A18
COMPANIES HOUSE

0681
22/11/03



KPMG LLP
KPMG LLP, a UK limited liability partnership,
is a member of KPMG International,
a Swiss non operating association

Registered in England No OC301540
Registered office:
8 Salisbury Square,
London EC4Y 8BS