

Ferguson Care Limited

Annual Report

for the year ended 31 December 2006

Registered number 2582268

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Ferguson Care Limited

Annual report for the year ended 31 December 2006

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Ferguson Care Limited

Directors and advisors

Executive directors

Ted Smith
Denise Keating
Charles Cameron
Christine Cameron

Secretary

BLG (Professional Services) Limited
Beaufort House
15 St Botolph Street
London
EC3A 7NJ

Registered Auditors

PricewaterhouseCoopers LLP
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

Solicitors

Barlow Lyde & Gilbert
Beaufort House
15 St Botolph Street
London
EC3A 7NJ

Pinsent Masons
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Birmingham
B4 6BH

Registered office

Craegmoor House
Perdiswell Park
Worcester
WR3 7NW

Bankers

Barclays Bank plc
PO Box 544
54 Lombard Street
London
EC3V 9EX

Ferguson Care Limited

Directors' report for the year ended 31 December 2006

The Directors present their report and the audited financial statements of the company for the year ended 31 December 2006

Principal activities

The principal activity of the Company continues to be the operation of residential care homes

Review of business and future developments

Both the level of continuing business and the year end position were satisfactory, despite the overall loss for the year. The Directors expect that the Company's performance will improve in the coming year.

The Company is part of the Craegmoor Limited Group that currently has certain security arrangements for its external funding. The Directors of the Group are of the view that the securitisation is no longer the most suitable financing structure for the Group and therefore announced in March 2007 that they were in exploratory discussions with banks regarding a more appropriate structure. Whilst the discussions are at an early stage the Directors believe there is a reasonable prospect of a successful outcome.

Results and dividends

The profit and loss account shows a loss after tax for the year of £636,000 (2005 £1,408,000). The Directors do not recommend the payment of a dividend for the year ended 31 December 2006 (2005 £Nil).

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of Craegmoor Limited, its ultimate parent company, and are not managed separately. Accordingly, the principal risks and uncertainties of Craegmoor Limited, which include those of the Company, are discussed in the Directors' Report of Craegmoor Limited which does not form part of this report.

Key Performance Indicators ("KPIs")

The Directors of Craegmoor Limited manage the Craegmoor Group's operations on a group-wide basis. For this reason, the Directors of the Company believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of the Craegmoor Limited Group, which includes the Company, is discussed in the Directors' Report of Craegmoor Limited which does not form part of this report.

Directors

The following directors have held office for the whole year unless otherwise stated

Ted Smith		
Mary Preston	Resigned 20 April 2006	
Julian Spurling	Appointed 13 January 2006	Resigned 27 November 2006
Denise Keating	Appointed 6 March 2006	
Charles Cameron	Appointed 15 March 2006	
David Fothergill	Appointed 20 April 2006	Resigned 30 June 2006
Christine Cameron	Appointed 1 July 2006	

Changes in fixed assets

Movements in tangible fixed assets during the year are set out in note 9 to the financial statements

Ferguson Care Limited

Directors' report

for the year ended 31 December 2006 (continued)

Financial instruments

The Company's financial instruments primarily comprise debtors and creditors with other group companies arising directly from its operations. No trading in financial instruments has been undertaken.

There are no significant risks arising directly from the Company's financial instruments. However, the Company is reliant on the ongoing support of the Craegmoor Group, which has long term financing and overdraft facilities in place. The Board of Craegmoor Limited, the ultimate parent undertaking, has reviewed and agreed the policies for managing the risks related to these facilities as set out below.

Liquidity risk

The Group has secured long term financing and overdraft facilities with financial institutions who have high credit ratings that are designed to ensure the Company has sufficient available funds for operations. The £334,410,000 of debt, in the form of loan notes, is repayable over 17 years.

Interest rate and cash flow risk

The Group has entered into interest rate swaps to ensure certainty over future interest cashflows. As a consequence, 95% of the Group's borrowings are at fixed rates of interest.

Credit risk

A fellow subsidiary company, Craegmoor Facilities Company Limited, bears the credit risk for the Company.

Statement of Directors' responsibilities in respect of the Annual Report and the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and 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.

Statement of disclosure of information to auditors

Each of the persons who are directors at the date that this report is approved confirm that

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- each Director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Ferguson Care Limited

Directors' report for the year ended 31 December 2006 (continued)

Auditors

The Company has elected, in accordance with section 386 of the Companies Act UK 1985, to dispense with the obligation to appoint auditors annually

By order of the Board

A handwritten signature in black ink, appearing to read 'Charles Cameron', with a long horizontal line extending to the right.

Charles Cameron
Director
14 June 2007

Independent auditors' report to the members of Ferguson Care Limited

We have audited the financial statements of Ferguson Care Limited for the year ended 31 December 2006 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The Directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2006 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.

Independent auditors' report to the members of Ferguson Care Limited (continued)

Emphasis of Matter - Going concern

In forming our opinion on the financial statements, we have considered the adequacy of the disclosures made in Note 1 to the financial statements (*Going Concern*) concerning the Directors' consideration of the ability of the Group to meet its future covenants under current financing arrangements, and the associated impact on the Company. The financial statements of the Company have been prepared on a going concern basis, the validity of which depends on the Group complying with its covenants or, should they be breached, the pursuit of alternative strategies which would result in the Group remaining a going concern. This condition indicates the existence of an uncertainty for the Company relating to going concern. The financial statements do not include any adjustments that would result from a failure to meet the covenant requirements. Our opinion is not qualified in this respect.

A handwritten signature in black ink that reads "PricewaterhouseCoopers LLP". The signature is written in a cursive, flowing style.

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Birmingham
14 June 2007

Ferguson Care Limited

Profit and loss account for the year ended 31 December 2006

	Note	2006 £'000	2005 £'000
Turnover		1,596	3,080
Administrative expenses		(1,588)	(2,852)
Operating profit	4	8	228
Loss on disposal of tangible fixed assets	5	(121)	(1,283)
Interest payable	6	(431)	(415)
Interest receivable	7	-	3
Loss on ordinary activities before taxation		(544)	(1,467)
Tax on loss on ordinary activities	8	(92)	59
Loss for the financial year	14	(636)	(1,408)

All activities relate to continuing operations

Ferguson Care Limited

Statement of total recognised gains and losses for the year ended 31 December 2006

	Note	2006 £'000	2005 £'000
Loss for the financial year		(636)	(1,408)
Impairment of previously revalued properties	9	(156)	(667)
Total recognised losses for the year		(792)	(2,075)

Note of historical cost profit and losses for the year ended 31 December 2006

	2006 £'000	2005 £'000
Reported loss on ordinary activities before taxation	(544)	(1,467)
Difference between historical cost depreciation charge and actual depreciation charge for the year calculated on the revalued amount	70	90
Historical cost loss on ordinary activities before taxation	(474)	(1,377)
Historical cost loss for the financial year	(566)	(1,318)

Ferguson Care Limited

Balance sheet as at 31 December 2006

	Note	2006 £'000	2005 £'000
Fixed assets			
Tangible assets	9	485	3,813
Current assets			
Debtors	10	6,937	4,269
Creditors amounts falling due within one year	11	-	(3)
Net current assets		6,937	4,266
Total assets less current liabilities		7,422	8,079
Creditors amounts falling due after more than one year	12	(4,901)	(4,766)
Net assets		2,521	3,313
Capital and reserves			
Called up share capital	13	-	-
Revaluation reserve	14	67	2,016
Profit and loss account	14	2,454	1,297
Total equity shareholders' funds	15	2,521	3,313

The financial statements on pages 7 to 17 were approved by the Board of Directors on 14 June 2007 and signed on its behalf by



Charles Cameron
Director

Ferguson Care Limited

Notes to the financial statements for the year ended 31 December 2006

1 Principal accounting policies

The financial statements are prepared on the going concern basis, under the historical cost convention, as modified by the revaluation of certain tangible fixed assets, and in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom. A summary of the principal accounting policies, which have been consistently applied, is set out below.

Going concern

The Company is reliant upon the ongoing support of the Craegmoor Limited Group in order to continue as a going concern, and the Group is subject to certain covenants as part of its current financing arrangements.

Whilst trading and cash flow of the Group has improved significantly since last year it is during 2007 that the Group's covenants return to the higher levels set at the time of the securitisation in 2003. Following due review of current trading and the outlook, the Directors are of the view that the headroom on the Group's covenants is limited at certain times and the ability to meet this is dependent on achieving forecast trading results. Those forecasts are inherently uncertain. In the unlikely event that a covenant was to be breached then a number of courses of action would be available to the securitisation bondholders including *in extremis* enforcement of security and debt repayment provisions.

The accounts have been prepared on a going concern basis as the Directors believe that the Craegmoor Limited Group will either achieve compliance with its covenants or alternative strategies could be pursued, which would result in the Company remaining a going concern.

Tangible fixed assets

The cost of fixed assets is their purchase cost, and any costs directly attributable to bringing them into working condition for their intended use. Freehold land and buildings are revalued by independent, professionally qualified valuers on a five year rolling basis, the first such valuation being five years after acquisition. These valuations are carried out on an existing use, open market value basis, and in the intervening years are updated by the Directors with the assistance of independent professional advice as required.

Increases in the revalued amounts of land and buildings are credited to revaluation reserves.

Freehold land is not depreciated. Subsequent to a revaluation, depreciation on freehold properties is based on revalued amounts. Depreciation on other tangible fixed assets is calculated to write off cost, less estimated residual values, by equal annual instalments on the following bases:

Freehold buildings	- over 50 years
Building improvements	- over 20 or 50 years
Equipment	- over 7 years
Furniture and fittings	- over 3, 5 or 10 years
Motor vehicles	- over 4 years
Computer equipment	- over 4 years

Provision is made for any impairment in the period in which it arises. The impairment is calculated by comparing the carrying value to the recoverable amount as required by FRS 11, "Impairment of fixed assets and goodwill". The recoverable amount of land and buildings is taken to be the higher of realisable value and value in use. Value in use is determined by reference to the expected future cash flows of the care home, discounted at a risk weighted cost of capital of 10.0% (2005: 8.5%). Realisable value is determined by independent, professional valuers on an existing use, open market value basis.

Provisions for impairment in the carrying value of land and buildings are charged against revaluation reserves in the balance sheet to the extent that they relate to a reversal of prior increases. Impairments to below historical cost are charged to the profit and loss account.

Finance leases

Leasing agreements which transfer to the Company substantially all the benefits and risks of ownership of an asset, are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital elements of the leasing commitments are shown as an obligation under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit so as to give a constant periodic rate of charge on the remaining balance outstanding at each accounting period. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

Ferguson Care Limited

Notes to the financial statements

for the year ended 31 December 2006 (continued)

1 Principal accounting policies (continued)

Turnover

Turnover represents amounts invoiced and accrued for care services provided during the period in the UK, excluding Value Added Tax. Where services are invoiced in advance the related income is deferred to match the period in which the service is provided.

Corporation tax

UK Corporation Tax is provided at amounts expecting to be paid (or recovered) using the tax rates and bases that have been enacted or substantially enacted by the balance sheet date. Corporation tax payable is reduced wholly or in part by the surrender of losses by fellow group companies. Payments made, if any, to surrendering companies for losses are reflected in the tax charge.

Deferred taxation

Deferred taxation has been recognised as a liability or asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in future, or a right to pay less taxation in future. An asset is only recognised to the extent that the transfer of economic benefits in the future is deemed to be more likely than not. Deferred tax assets and liabilities recognised are not discounted.

Cash flow statement

The Company is a wholly owned subsidiary of Craegmoor Limited, and the cash flows of the Company are included in the consolidated group cash flow statement of that company. Consequently, the Company is exempt under the terms of Financial Reporting Standard No. 1 (Revised) from publishing a cash flow statement.

2 Directors' emoluments

The emoluments of the Directors were paid by Craegmoor Healthcare Company Limited, a fellow subsidiary of Craegmoor Limited. The Directors were also directors of a number of other fellow subsidiaries during the year ended 31 December 2006 and 31 December 2005 and it is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries. Accordingly, the emoluments of the Directors are disclosed within the accounts of Craegmoor Healthcare Company Limited.

3 Employee information

The average monthly number of persons (including executive directors) employed during the year was

Analysis by function	2006	2005
	Number	Number
Nursing	62	68
Ancillary	4	4
Administration	12	11
	78	83
<hr/>		
Staff costs (for the above persons)	2006	2005
	£'000	£'000
Management charge in lieu of staff costs	1,046	1,925

The above disclosures are in respect of employees that carried out work in connection with the Company's operations during the year. However, these persons are employed by a fellow subsidiary company.

Ferguson Care Limited**Notes to the financial statements****for the year ended 31 December 2006 (continued)****4 Operating profit**

	2006	2005
	£'000	£'000
Operating profit is stated after charging:		
Depreciation of tangible fixed assets	134	176
Management charge from fellow subsidiaries	1,454	2,676

The audit fee for the Company for the year ended 31 December 2006 of £1,000 (2005 £3,000) is borne by a fellow subsidiary company and included within the management charge

The management charges from fellow subsidiary undertakings, Craegmoor Facilities Company Limited and Craegmoor Healthcare Company Limited, relate to an allocation of operating costs incurred on behalf of the Company and its fellow subsidiaries

5 Loss on disposal of tangible fixed assets

	2006	2005
	£'000	£'000
Provisions for losses on assets held for disposal	-	1,283
Loss on disposal of tangible fixed assets realised during the year	121	-
	121	1,283

6 Interest payable

	2006	2005
	£'000	£'000
Interest on amounts owed to group undertakings	430	415
Interest on finance leases	1	-
	431	415

7 Interest receivable

	2006	2005
	£'000	£'000
Interest on tax overpayments	-	3

Ferguson Care Limited

Notes to the financial statements

for the year ended 31 December 2006 (continued)

8 Tax on loss on ordinary activities

	2006 £'000	2005 £'000
Current taxation		
Group relief and balancing payments at 30% (2005 30%)	1	26
Adjustment in respect of previous periods	(6)	1
Total current taxation	(5)	27
Deferred taxation		
Current year – origination and reversal of timing differences	96	(86)
Adjustment in respect of previous periods	1	-
Total deferred taxation	97	(86)
Tax charge / (credit)	92	(59)

The tax for the year differs from the standard rate of corporation tax in the UK (30%) The differences are explained below

	2006 £'000	2005 £'000
Loss on ordinary activities	(544)	(1,467)
Loss on ordinary activity multiplied by standard rate of corporation tax in the UK of 30% (2005 30%)	(163)	(440)
Effects of		
Expenses not deductible for tax purposes	32	34
Capital allowances for the year less than depreciation	41	87
Chargeable gains	591	-
Utilisation of current year capital loss	(591)	-
Impairment of fixed assets	-	379
Transfer pricing adjustments and balancing payment	91	(34)
Adjustments to tax charge in respect of previous periods	(6)	1
Current tax charge	(5)	27

No provision has been made for deferred tax on gains recognised on revaluing property to its market value. Such tax would become payable only if the property was sold without it being possible to claim rollover relief. The total amount unprovided for is £20,000 (2005 £605,000)

Ferguson Care Limited

Notes to the financial statements

for the year ended 31 December 2006 (continued)

8 Tax on loss on ordinary activities (continued)

In accordance with the Craegmoor Group accounting policy a deferred tax asset has not been recognised due to the uncertainty over the recoverability of the following

	2006	2005
	£'000	£'000
Accelerated capital allowances	110	-

9 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 January 2006	5,212	881	119	6,212
Additions	-	53	-	53
Impairment (see below)	(156)	-	-	(156)
Transfers to fellow subsidiaries	-	-	(119)	(119)
Disposals	(4,727)	(180)	-	(4,907)
At 31 December 2006	329	754	-	1,083
Accumulated depreciation				
At 1 January 2006	1,767	535	97	2,399
Charge for the year	74	54	6	134
Transfers to fellow subsidiaries	-	-	(103)	(103)
Disposals	(1,797)	(35)	-	(1,832)
At 31 December 2006	44	554	-	598
Net book value				
At 31 December 2006	285	200	-	485
At 31 December 2005	3,445	346	22	3,813

The net book value of motor vehicles includes £Nil (2005 £22,000) in respect of assets held under finance leases. Depreciation of £Nil (2005 £2,000) was charged in the year on these assets.

In accordance with the Company's accounting policy, the land and buildings occupied by the Company were revalued by independent external valuers, Christies & Co, Chartered Surveyors and Valuers, as at 31 December 2006. This was on the basis of existing use value in accordance with procedures approved by Royal Institution of Chartered Surveyors. As a result of this independent valuation, certain of these properties have been revalued downwards by a total £156,000, which has been charged to revaluation reserves.

At the previous year end the Directors had identified certain properties for disposal that no longer met future business requirements. These properties were written down to the lower of cost and estimated net realisable value, resulting in an impairment of £1,950,000. Of which, £1,283,000 was charged to the profit and loss account and £667,000 was charged to revaluation reserves in the prior year.

Ferguson Care Limited

Notes to the financial statements

for the year ended 31 December 2006 (continued)

9 Tangible fixed assets

If freehold land and buildings had not been revalued they would have been included at the following amounts

	2006	2005
	£'000	£'000
Cost	213	2,554
Aggregate depreciation based on cost	(46)	(413)
Net book value based on cost	173	2,141

10 Debtors

	2006	2005
	£'000	£'000
Amounts falling due within one year:		
Amounts owed by group undertakings	6,937	4,172
Amounts falling due after more than one year:		
Deferred taxation	-	97
	6,937	4,269

Amounts owed by group undertakings are interest free and are payable on demand

The amount provided for deferred taxation comprises:

	2006	2005
	£'000	£'000
Timing differences relating to accelerated capital allowances	-	97

11 Creditors: amounts falling due within one year

	2006	2005
	£'000	£'000
Obligations under finance leases	-	3

Ferguson Care Limited

Notes to the financial statements

for the year ended 31 December 2006 (continued)

12 Creditors: amounts falling due after more than one year

	2006	2005
	£'000	£'000
Amounts owed to group undertakings	4,901	4,745
Obligations under finance leases	-	21
	4,901	4,766

There are no defined repayment terms on amounts owed to group undertakings but the relevant group undertaking has confirmed to the Directors of the Company that it will not seek any repayments of this loan within 12 months after the year-end

Finance leases are repayable as follows:

	2006	2005
	£'000	£'000
In one year or less	-	3
Between one and two years	-	3
Between two and five years	-	18
	-	24

On 31 December 2006 all motor vehicles were transferred to Craegmoor Facilities Company Limited, a fellow subsidiary company, along with the associated finance lease liabilities

13 Called up share capital

	2006	2005
	£'000	£'000
Authorised		
1,000 (2005 1000) ordinary shares of £1 each	1	1
Allotted, called up and fully paid		
100 (2005 100) ordinary shares of £1 each	-	-

14 Reserves

	Profit and loss account	Revaluation reserve
	£'000	£'000
At 1 January 2006	1,297	2,016
Loss for the financial year	(636)	-
Impairment of previously revalued assets	-	(156)
Transfer relating to disposal of previously revalued assets	1,793	(1,793)
At 31 December 2006	2,454	67

Ferguson Care Limited

Notes to the financial statements

for the year ended 31 December 2006 (continued)

15 Reconciliation of movement in shareholders' funds

	2006	2005
	£'000	£'000
Loss for the financial year	(636)	(1,408)
Impairment of previously revalued properties	(156)	(667)
Net decrease in shareholders' funds	(792)	(2,075)
Opening equity shareholders' funds	3,313	5,388
Closing equity shareholders' funds	2,521	3,313

16 Post balance sheet events

Subsequent to the year-end the UK Corporation Tax rates were changed from 30% to 28%. These changes have not yet been substantially enacted through the Provisional Collection of Taxes Act and hence not reflected in the deferred tax assets or liabilities as at 31 December 2006.

17 Contingent liabilities

There is a fixed charge over the assets of the Company and a cross guarantee in respect of the external loan undertaken by Craegmoor Funding (No 2) Limited amounting to £3,930,000 (2005 £3,930,000).

18 Capital commitments

As at 31 December 2006 the Company had no capital commitments (2005 £Nil).

19 Related party transactions

The Company has taken advantage of the exemption granted under paragraph 3(c) of FRS 8 and not disclosed any transactions with other group companies where they are more than 90% owned by a common parent.

20 Immediate and ultimate parent companies

The Directors regard Craegmoor Holdings Limited, a company registered in England and Wales, as the immediate parent company of Ferguson Care Limited, and Craegmoor Limited, a company registered in England and Wales, as the ultimate parent company in the United Kingdom. The parent companies of the largest and smallest groups in which Ferguson Care Limited is consolidated are Craegmoor Limited and Craegmoor Investments Limited respectively. Copies of Craegmoor Limited's consolidated financial statements may be obtained from its registered office, Craegmoor House, Perdiswell Park, Worcester, WR3 7NW.