

**CORVELL HEALTH CARE LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR**  
**31ST MAY 2002**

Company Registration Number 2612317



**ALAN RUSH & CO.**  
Chartered Accountants  
1349/1353 London Road  
Leigh-on-Sea  
Essex  
SS9 2AB

# **CORVELL HEALTH CARE LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31ST MAY 2002**

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**CORVELL HEALTH CARE LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

<b>The board of directors</b>	Dr B Singh Mr S S Varma
<b>Company secretary</b>	Mr S S Varma
<b>Registered office</b>	1349/1353 London Road Leigh-on-Sea Essex SS9 2AB
<b>Accountants</b>	Alan Rush & Co. Chartered Accountants 1349/1353 London Road Leigh-on-Sea Essex SS9 2AB

# **CORVELL HEALTH CARE LIMITED**

## **THE DIRECTORS' REPORT**

**YEAR ENDED 31ST MAY 2002**

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 31st May 2002.

### **PRINCIPAL ACTIVITIES**

The principal activity of the company during the year was that of residential care home.

### **THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY**

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

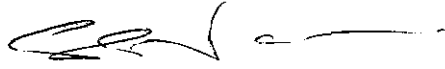
	<b>Ordinary Shares of £1 each</b>	
	<b>At 31 May 2002</b>	<b>At 1 June 2001</b>
Dr B Singh	25,000	25,000
Mr S S Varma	<u>25,000</u>	<u>25,000</u>

### **SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:  
1349/1353 London Road  
Leigh-on-Sea  
Essex  
SS9 2AB

Signed by order of the directors

  
.....  
MR S S VARMA  
Company Secretary

Approved by the directors on 26th February 2003

# CORVELL HEALTH CARE LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST MAY 2002

	Note	2002 £	2001 £
<b>TURNOVER</b>		691,582	611,957
Cost of sales		51,590	41,354
<b>GROSS PROFIT</b>		639,992	570,603
Administrative expenses		438,067	423,134
<b>OPERATING PROFIT</b>	<b>2</b>	201,925	147,469
Interest payable		49,051	67,436
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		152,874	80,033
Tax on profit on ordinary activities	<b>3</b>	16,798	—
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		136,076	80,033
Equity dividends paid		24,000	18,000
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		112,076	62,033
Balance brought forward		(25,862)	(87,895)
Balance carried forward		86,214	(25,862)

The notes on pages 6 to 8 form part of these financial statements.

# CORVELL HEALTH CARE LIMITED

## BALANCE SHEET

31ST MAY 2002

	Note	2002 £	2001 £
<b>FIXED ASSETS</b>			
Tangible assets	4	1,259,967	1,275,043
<b>CURRENT ASSETS</b>			
Stocks		850	500
Debtors	5	30,482	51,300
Cash at bank and in hand		52,535	26,441
		<u>83,867</u>	<u>78,241</u>
<b>CREDITORS: Amounts falling due within one year</b>	6	<u>106,379</u>	<u>190,401</u>
<b>NET CURRENT LIABILITIES</b>		<u>(22,512)</u>	<u>(112,160)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,237,455</u>	<u>1,162,883</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	7	<u>1,101,241</u>	<u>1,138,745</u>
		<u>136,214</u>	<u>24,138</u>

The balance sheet continues on the following page.  
The notes on pages 6 to 8 form part of these financial statements.

# CORVELL HEALTH CARE LIMITED

## BALANCE SHEET *(continued)*

31ST MAY 2002

### CAPITAL AND RESERVES

Called-up equity share capital	9	50,000	50,000
Profit and Loss Account		86,214	(25,862)

### SHAREHOLDERS' FUNDS

136,214	24,138
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The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the directors on the 26th February 2003 and are signed on their behalf by:

  
.....  
DR B SINGH

  
.....  
MR S S VARMA

The notes on pages 6 to 8 form part of these financial statements.

**CORVELL HEALTH CARE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST MAY 2002**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings                      -     15% on reducing balance

No depreciation is provided on freehold property. This is maintained to ensure that the value does not diminish over time. The maintenance costs are charged to profit and loss account in the year incurred. In the opinion of the directors depreciation would be immaterial.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**2. OPERATING PROFIT**

Operating profit is stated after charging:

	2002 £	2001 £
Directors' emoluments	—	—
Depreciation	<u>32,692</u>	<u>36,567</u>

**CORVELL HEALTH CARE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST MAY 2002**

**3. TAX ON PROFIT ON ORDINARY ACTIVITIES**

**Taxation**

	2002 £	2001 £
Current tax:		
UK Corporation tax based on the results for the year at 19% (2001 - 20%)	16,798	—
Total current tax	16,798	—
Tax on profit on ordinary activities	<u>16,798</u>	<u>—</u>

**4. TANGIBLE FIXED ASSETS**

	Freehold Property £	Fixtures & Fittings £	Total £
<b>COST</b>			
At 1st June 2001	1,067,840	284,608	1,352,448
Additions	6,885	10,731	17,616
<b>At 31st May 2002</b>	<u>1,074,725</u>	<u>295,339</u>	<u>1,370,064</u>
<b>DEPRECIATION</b>			
At 1st June 2001	—	77,405	77,405
Charge for the year	—	32,692	32,692
<b>At 31st May 2002</b>	<u>—</u>	<u>110,097</u>	<u>110,097</u>
<b>NET BOOK VALUE</b>			
<b>At 31st May 2002</b>	<u>1,074,725</u>	<u>185,242</u>	<u>1,259,967</u>
At 31st May 2001	<u>1,067,840</u>	<u>207,203</u>	<u>1,275,043</u>

**5. DEBTORS**

	2002 £	2001 £
Trade debtors	12,159	24,990
Prepayments and accrued income	18,323	26,310
	<u>30,482</u>	<u>51,300</u>

**CORVELL HEALTH CARE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST MAY 2002**

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

	2002 £	2001 £
Bank loans and overdrafts	82,422	82,423
Other creditors including taxation:		
Corporation tax	16,798	—
S S Varma	—	59,218
Accruals and deferred income	<u>7,159</u>	<u>48,760</u>
	23,957	107,978
	<u>106,379</u>	<u>190,401</u>

Bank borrowings above and in the next note are secured by way of a specific charge on company's freehold property Cavell Lodge, 5 Blenheim Chase, Leigh-on-Sea, Essex SS9 3BZ and a fixed and floating debenture on all the assets of the company.

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

	2002 £	2001 £
Bank loans and overdrafts	552,790	590,294
Other creditors	<u>548,451</u>	<u>548,451</u>
	<u>1,101,241</u>	<u>1,138,745</u>

**8. RELATED PARTY TRANSACTIONS**

The company was under the joint control of the directors' Mr S S Varma (50%) and Dr B Singh (50%) throughout the current and previous year.

The balances on the directors' loan and current accounts are shown in the creditors notes above.

Interest of £4,132 was paid to Mr S S Varma on the balance outstanding on his current account.

There were no other transactions with the directors or other related party matters which require disclosure.

**9. SHARE CAPITAL**

**Authorised share capital:**

	2002 £	2001 £
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

**Allotted, called up and fully paid:**

	2002 £	2001 £
Ordinary share capital	<u>50,000</u>	<u>50,000</u>