

SECRETARY'S COPY

Company Registration Number: 2847005

HEALTH & CARE SERVICES (NW) LIMITED
ANNUAL REPORT
PERIOD ENDED 31 DECEMBER 1994

PANNELL KERR FORSTER
Chartered Accountants



HEALTH & CARE SERVICES (NW) LIMITED

1.

ANNUAL REPORT

PERIOD ENDED 31 DECEMBER 1994

DIRECTORS

C. W. Bown
M. Hartlebury

SECRETARY

C. W. Bown

REGISTERED OFFICE

"The Granary"
Ossington Road
Norwell
Nr Newark
Notts
NG23 6JW

SOLICITORS

Mishcon De Reya
London

AUDITORS

Pannell Kerr Forster
Sheffield

BANKERS

Barclays Bank plc
Lincoln

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DIRECTORS' REPORT

1. RESULTS AND DIVIDENDS

The trading profit for the period after taxation was £52,136. The directors recommend that no dividend be paid.

2. PRINCIPAL ACTIVITY

The company was incorporated on 23 August 1993 and commenced trading 6 June 1994.

The company's principal activity during the period was the operation of residential nursing homes and the provision of specialist services at the homes.

3. DIRECTORS

The directors at the end of the period, neither of whom had any interest in the share capital of the company, are set out below. Both directors are also directors of the ultimate parent company and therefore disclosure of their interest in the parent company is not required.

C. W. Bown - appointed 19 August 1993
M. Hartlebury - appointed 19 August 1993

Severnside Nominees Limited resigned as director on 23 August 1993.

4. DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which 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;
- * prepare the financial statements on the going concern basis unless it is inappropriate to presume 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 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.

DIRECTORS' REPORT

5. STATUS

The company is a close company under the provisions of the Income and Corporation Taxes Act 1988.

6. SMALL COMPANY REPORTING EXEMPTIONS

The directors have taken advantage, in the preparation of the above report, of the special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

20 June 1995

Norwell



By order of the board

C. W. BOWN

Secretary

HEALTH & CARE SERVICES (NW) LIMITED

We have audited the financial statements on pages 5 to 10 which have been prepared under the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards. 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 judgements 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 of the state of affairs of the company as at 31 December 1994 and of its profit for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

20 June 1995

Sheffield



PANNELL KERR FORSTER

Chartered Accountants
Registered Auditors

HEALTH & CARE SERVICES (NW) LIMITED

PROFIT AND LOSS ACCOUNT

PERIOD ENDED 31 DECEMBER 1994

	<u>Notes</u>	£
TURNOVER	2	524,467
Cost of sales		<u>300,151</u>
GROSS PROFIT		224,316
Administrative expenses		<u>102,092</u>
OPERATING PROFIT		122,224
Interest receivable and similar income		1,807
Interest payable		<u>(47,545)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	76,486
Tax on ordinary activities	4	<u>24,350</u>
PROFIT FOR THE FINANCIAL PERIOD		<u>52,136</u>

All amounts relate to continuing operations.

The company has no recognised gains or losses other than those shown above.

HEALTH & CARE SERVICES (NW) LIMITED

BALANCE SHEET

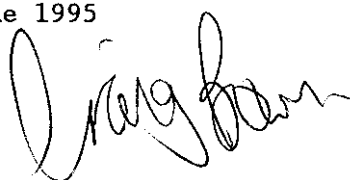
31 DECEMBER 1994

	<u>Notes</u>	£	£
FIXED ASSETS			
Tangible assets	5		1,009,024
CURRENT ASSETS			
Debtors	6	76,320	
Cash at bank and in hand		<u>282,405</u>	
		358,725	
CREDITORS - Amounts falling due within one year	7	<u>337,112</u>	
NET CURRENT ASSETS			<u>21,613</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,030,637
CREDITORS - Amounts falling due after more than one year	7	969,500	
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	8	<u>9,000</u>	
			<u>978,500</u>
NET ASSETS			<u>52,137</u>
CAPITAL AND RESERVES			
Called up share capital	9		1
Profit and loss account	10		<u>52,136</u>
EQUITY SHAREHOLDERS' FUNDS	11		<u>52,137</u>

The company has taken advantage in the preparation of the financial statements of the special exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 on the grounds that the company qualifies as a small company.

Approved by the board on 20 June 1995

C. W. BOWN - Director



HEALTH & CARE SERVICES (NW) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 1994

1. ACCOUNTING POLICIES

Basis of accounting

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

Tangible fixed assets and depreciation

Tangible assets are depreciated over their estimated useful lives at the following annual rates:-

Leasehold land and buildings	-	2% straight line
Fixtures and fittings	-	25% reducing balance

Deferred taxation

Provision is made for deferred tax, using the liability method, to the extent that it is probable that a liability will crystallise in the foreseeable future.

Turnover

Turnover represents sales at invoice value and income from residents.

Cash flow statement

The company has taken advantage of the exemption provided by Financial Reporting Standard No.1, as a wholly owned subsidiary, not to prepare a cash flow statement.

2. TURNOVER

The company engages in only one class of business and all sales were within the United Kingdom.

£

3. PROFIT ON ORDINARY ACTIVITIES
BEFORE TAXATION

The profit on ordinary activities
before taxation is after charging:

Auditors' remuneration

Audit fee	3,525
Depreciation written off tangible fixed assets	26,379

Directors' emoluments	20,000
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HEALTH & CARE SERVICES (NW) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 1994

	£
4. TAX ON ORDINARY ACTIVITIES	
Corporation tax payable on the results for the period at 27%	15,350
Deferred taxation	<u>9,000</u>
	<u>24,350</u>

5. FIXED ASSETS - TANGIBLE

	<u>Leasehold land and buildings</u> £	<u>Plant and machinery etc</u> £	<u>Total</u> £
<u>Cost</u>			
Additions	<u>893,744</u>	<u>141,659</u>	<u>1,035,403</u>
At 31 December 1994	<u>893,744</u>	<u>141,659</u>	<u>1,035,403</u>
<u>Depreciation</u>			
Charge for period	<u>8,772</u>	<u>17,607</u>	<u>26,379</u>
At 31 December 1994	<u>8,772</u>	<u>17,607</u>	<u>26,379</u>
<u>Net book amounts</u>			
At 31 December 1994	<u>884,972</u>	<u>124,052</u>	<u>1,009,024</u>

	£
6. DEBTORS	
Due within one year:	
Trade debtors	74,885
Other debtors	<u>1,435</u>
	<u>76,320</u>

HEALTH & CARE SERVICES (NW) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 1994

	£
7. CREDITORS	
Amounts falling due within one year:	
Bank loans	16,500
Trade creditors	8,197
Corporation tax	15,350
Other creditors	40,065
Directors' current accounts	12,000
Health & Care Services (UK) Limited	<u>245,000</u>
	<u>337,112</u>
Amounts falling due after more than one year:	
Bank loans - repayable in one to two years	18,500
- repayable in two to five years	67,500
- repayable after five years	733,500
Health & Care Services (UK) Limited	<u>150,000</u>
	<u>969,500</u>

The bank loans are secured by a first legal mortgage over the premises, and over certain book debts.

The bank loans are repayable by 3-monthly instalments over a period of 20 years, the final repayment being in 2014. Interest is payable at 3% above bank base rate.

	£
8. DEFERRED TAXATION	
Charged to profit and loss account	<u>9,000</u>
Deferred taxation has been fully provided in respect of:	
Accelerated capital allowances	<u>9,000</u>

9. CALLED UP SHARE CAPITAL

During the period the company issued 1 fl ordinary share at par.

	<u>Authorised</u>	<u>Allotted and fully paid</u>
	£	£
Ordinary shares of fl each	<u>50,000</u>	<u>1</u>

HEALTH & CARE SERVICES (NW) LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 DECEMBER 1994

10. RESERVES

Profit and
loss account
 £

Profit for the period

52,136

At 31 December 1994

52,136

11. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

Issued share capital
 Profit for the period

1
52,136

At 31 December 1994

52,137

12. ULTIMATE PARENT COMPANY

The ultimate parent company is Health & Care Services (UK) Limited, which is registered in England and Wales.