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Rochefort Healthcare (Newlands) Limited

Reports and Financial Statements

30th September 1996

**Nash & Company
Chartered Accountants**

43 Dover Street
London, W1X 3RE



Rochefort Healthcare (Newlands) Limited

Reports and financial statements

Director: M. M. Musa

Secretary: A. Musa

Registered office: 16 High Street
Windsor
Berkshire
SL4 1LD

Company number: 3075409

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Rochefort Healthcare (Newlands) Limited

Director's report

The director has pleasure in presenting his report, together with the first financial statements for the period ended 30th September 1996. The company was incorporated as Greenyard Homes Limited on 3rd July 1995; the name was changed to Beaufort Healthcare Limited on 3rd July 1995 and then to Rochefort Healthcare (Newlands) Limited on 25th June 1996.

Principal activity

The principal activity of the company in the period under review was maintaining and running Newlands, a nursing home for the elderly which was acquired by the company in May 1996.

Review of business and future developments

A summary of the results of the period's trading is given in the profit and loss account on page 4 of the financial statements. No changes are planned in the company's operations in the foreseeable future.

Dividend

The director does not recommend the payment of a dividend for the period.

Director

The director who held office during the period, together with his beneficial interest in the share capital of the company, was as follows:

	Ordinary £1 shares
M. M. Musa	850

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Statement of director's responsibilities

Company law requires the director 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 director is 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.

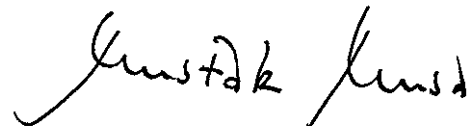
Rochefort Healthcare (Newlands) Limited

Director's report

Statement of director's responsibilities (continued)

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him 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.

By order of the Board

A handwritten signature in black ink, appearing to read 'M. M. Musa', is written over the printed name.

M. M. Musa
Chairman

Date of approval

15th May 1998

**Accountants' report to the director
of Rochefort Healthcare (Newlands) Limited**

In accordance with instructions given to us, we have prepared the accounts on pages 4 to 10 without carrying out an audit, on the basis of information and explanations supplied to us for the period ended 30th September 1996.

Date of approval


Nash & Company
Chartered Accountants

Rochefort Healthcare (Newlands) Limited

Profit and loss account for the 5 month period ended 30th September 1996

	Note	30th September 1996 £
Turnover	2	284,711
Cost of sales		(188,196)
		<hr/>
Gross profit		96,515
Administrative expenses		(137,631)
Other operating expenses	3	(17,979)
		<hr/>
Operating loss	3	(59,095)
Interest payable and similar charges	3(b)	(33,842)
		<hr/>
Loss on ordinary activities before and after taxation, carried forward		£(92,937)
		<hr/> <hr/>

Rochefort Healthcare (Newlands) Limited

Balance sheet as at 30th September 1996

	Note	£	1996 £
Fixed assets	6		1,294,922
Current assets			
Debtors	7	110,470	
Cash in hand		373	
		<hr/>	
		110,843	
Creditors: amounts due within one year	8(a)	(209,215)	
		<hr/>	
Net current liabilities			(98,372)
Total assets less current liabilities			<hr/> 1,196,550
Creditors: amounts falling due after more than one year			
Secured loan	8(b)		(914,924)
			<hr/>
Total net assets			<hr/> £281,626 <hr/>
Capital and reserves			
Called up share capital	9		1,000
Share premium account	9		108,800
Profit and loss account			(92,937)
Revaluation reserve			264,763
			<hr/>
Shareholders' funds	10		<hr/> £281,626 <hr/>

Approved by the Board on

15th May 1998

The director has taken advantage of the Companies Act 1985 in not having these accounts audited under Section 249(1) [total exemption] and confirms that no notice has been deposited under section 249(2) of the Companies Act 1985.

He acknowledges his responsibility for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985; he also acknowledges his responsibility for preparing accounts which give a true and fair view of the company and of its loss for the year then ended in accordance with the

requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of this Act relating to Accounts, so far as applicable to this company.

Director

Rochefort Healthcare (Newlands) Limited

Notes forming part of the financial statements

1 Accounting policies

(a) Accounting convention

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

(b) Turnover

Turnover represents net invoiced nursing home fees, including value added tax.

(c) Depreciation

Depreciation is provided at the following annual rates in order to write off the cost of each asset on a straight line bases over its estimated useful life:

Furniture and fittings	- 15%
Office equipment	- 33 $\frac{1}{3}$ %

(d) Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing difference except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

(e) Operating leases

Operating lease rentals are charged evenly to the profit and loss account as incurred.

2 Turnover

The turnover and loss before taxation are attributable to the one principal activity of the company and arose entirely in the United Kingdom.

Rochefort Healthcare (Newlands) Limited

Notes (continued)

3 Loss on ordinary activities before taxation

1996
£

(a) The operating loss is stated after charging:

Depreciation	7,620
Director's remuneration	-

(b) Interest payable and similar charges comprise:

Loan interest	31,759
Other interest and charges	2,083

£33,842

4 Staff numbers and costs

The average number of persons (including director) employed by the company during the year was as follows:

1996
number

Production	48
Other	1

Total employees 49

The aggregate payroll costs of these persons were as follows:

£

Wages and salaries	130,950
Social security costs	9,201

£140,151

Rochefort Healthcare (Newlands) Limited

Notes (continued)

5 Taxation

The taxation charge arising from the loss on ordinary activities for the period was as follows:
1996

UK corporation tax at 25% based on the adjusted results for the year	£ -
--	-----

6 Tangible fixed assets

	Freehold building £	Equipment, furniture and fittings £	Total £
Cost/valuation:			
Additions at cost	885,237	152,542	1,037,779
Revaluation in period	264,763	-	264,763
	<hr/>	<hr/>	<hr/>
At 30th September 1996	1,150,000	152,542	1,302,542
	<hr/>	<hr/>	<hr/>
Depreciation:			
Charge for the period	-	7,620	7,620
	<hr/>	<hr/>	<hr/>
Net book values:			
At 30th September 1996	£1,150,000	£144,922	£1,294,922
	<hr/>	<hr/>	<hr/>

7 Debtors

	1996 £
Trade debtors	15,175
Other debtors	16,970
Prepayments and accrued income	2,707
Amounts owed by related enterprises	75,618
	<hr/>
	£110,470
	<hr/>

Rochefort Healthcare (Newlands) Limited

Notes (continued)

8(a) Creditors: Amounts falling due within one year

	1996 £
Bank overdraft	52,990
Trade creditors	22,144
Social security and other taxes	37,277
Accruals	7,724
Other creditors	83,629
Loans	5,451
	<hr/>
	£209,215
	<hr/>

The bank loan and overdraft are secured by fixed and floating charges over the company's assets.

8(b) Creditors: Amounts falling due after more than one year

	1996
Loans	£914,924
	<hr/>

9 Called up share capital

	1996
Authorised:	
1,000 ordinary shares of £1 each	£1,000
	<hr/>
Allotted, called up and fully paid:	
1,000 ordinary shares of £1 each	£1,000
	<hr/>

The share capital was issued during the period at a total premium of £108,800.

10 Movement on shareholders' funds

	1996 £
Loss for the period	(92,937)
Revaluation in period	264,763
Issue of share capital	1,000
Share premium on issue	108,800
	<hr/>
Carried forward	£281,626
	<hr/>

Rochefort Healthcare (Newlands) Limited

Notes (continued)

11 Related party transactions

Debtors at
30th September 1996
£

Transactions were entered into during the period
with the following:

Rochefort Healthcare (Highfield House) Limited	75,158
Rocheford Healthcare (Rookstone) Limited	460

All these companies are under common control and are registered in England. The transactions all related to reimbursement of operating and capital expenses at cost, amounting to £75,618 in total for the year.

Rochefort Healthcare (Newlands) Limited

Trading and profit and loss account for the 5 month period ended 30th September 1996

	£	£
Fee income		284,711
Direct costs		
Wages	140,151	
Kitchen costs	33,915	
Laundry and cleaning	12,536	
Medical supplies	1,330	
Welfare and staff cost	264	
Cost of sales		(188,196)
Gross profit		96,515
Administrative expenses		
Salaries and payroll	-	
Directors' remuneration	-	
Directors' and staff pension costs	-	
Postage, carriage and telephone	-	
Stationery	-	
Depreciation	7,620	
Audit fees	-	
Legal and professional	215	
Accountancy	294	
Central administration expenses	89,505	
Consultancy fees	39,997	
	137,631	
Establishment expenses		
Rates and water rates	3,353	
Light, heat and power	4,866	
Insurance	833	
Repairs and maintenance	4,144	
Equipment hire	2,027	
Printing, postage and stationery	404	
Subscriptions and newspapers	632	
Telephone	804	
General expenses	916	
	17,979	
Totals carried forward	155,610	96,515

Rochefort Healthcare (Newlands) Limited

**Trading and profit and loss account (continued)
for the 5 month period ended 30th September 1996**

	£	£
Totals brought forward	155,610	96,515
Sales and marketing expenses		
Advertising	-	
Motor expenses	-	
Travel and entertaining	-	
Bad debt write off	-	
Total operating expenses		(155,610)
Operating loss		(59,095)
Interest payable and similar charges		
Loan interest	31,759	
Other interest and charges	2,083	
		(33,842)
Loss on ordinary activities before taxation		£(92,937)