

**Chancellor Care Limited**

**Abbreviated accounts**

**For the year ended**

**31 December 2003**



# **Chancellor Care Limited**

## **Abbreviated accounts**

**Year ended 31 December 2003**

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# Chancellor Care Limited

## Independent auditors' report to the company

### PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

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We have examined the abbreviated accounts on pages 2 to 6, together with the financial statements of the company for the year ended 31 December 2003 prepared under Section 226 of the Companies Act 1985.

#### Respective responsibilities of the directors and the auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

#### Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

#### Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 6 are properly prepared in accordance with those provisions.

102 Prince of Wales Road  
Norwich  
Norfolk  
NR1 1NY

*8 September 2004*

*Lowell Blake*  
LOVEWELL BLAKE  
Chartered Accountants  
& Registered Auditors

# Chancellor Care Limited

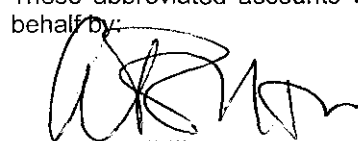
## Abbreviated balance sheet

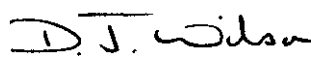
31 December 2003

	Note	2003 £	2002 £
<b>Fixed assets</b>	<b>2</b>		
Tangible assets		4,581,076	1,205,835
<b>Current assets</b>			
Stocks		500	1,500
Debtors		195,327	29,059
Cash at bank and in hand		19,769	29,002
		<u>215,596</u>	<u>59,561</u>
<b>Creditors: Amounts falling due within one year</b>	<b>3</b>	<u>(558,222)</u>	<u>(119,986)</u>
<b>Net current liabilities</b>		(342,626)	(60,425)
<b>Total assets less current liabilities</b>		<u>4,238,450</u>	<u>1,145,410</u>
<b>Creditors: Amounts falling due after more than one year</b>	<b>4</b>	<u>(3,688,078)</u>	<u>(811,252)</u>
		<u>550,372</u>	<u>334,158</u>
<b>Capital and reserves</b>			
Called-up share capital	<b>5</b>	25,140	25,112
Share premium account		299,971	-
Revaluation reserve		388,950	388,950
Profit and loss account		<u>(163,689)</u>	<u>(79,904)</u>
<b>Shareholders' funds</b>		<u>550,372</u>	<u>334,158</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 26/07/04 and are signed on their behalf by:

  
Mr A J Chancellor

  
Mr D J Wilson

The notes on pages 3 to 6 form part of these abbreviated accounts.

# Chancellor Care Limited

## Notes to the abbreviated accounts

Year ended 31 December 2003

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### 1. Accounting policies

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### Turnover

The turnover shown in the profit and loss account represents the amount of goods and services provided during the year.

#### Fixed assets

All fixed assets are initially recorded at cost.

#### 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:

Furniture and equipment	- 20% Reducing balance
Fixtures and Fittings	- 20% Reducing balance
Motor Vehicles	- 25% Reducing balance

Freehold property consists of both land and buildings. Freehold land is not depreciated. Freehold property was revalued during the year ended 31 December 2000 by Pinders, Chartered Surveyors and it is therefore considered by the directors that this value reflects the condition of the property at the year end, and depreciation is not appropriate.

#### Stocks

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

#### Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

#### Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

#### 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.

# Chancellor Care Limited

## Notes to the abbreviated accounts

Year ended 31 December 2003

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### 1. Accounting policies *(continued)*

#### Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

#### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

### 2. Fixed assets

	<b>Tangible Assets £</b>
<b>Cost or valuation</b>	
At 1 January 2003	1,254,348
Additions	3,408,236
Disposals	(12,225)
<b>At 31 December 2003</b>	<u><u>4,650,359</u></u>
<b>Depreciation</b>	
At 1 January 2003	48,513
Charge for year	23,062
On disposals	(2,292)
<b>At 31 December 2003</b>	<u><u>69,283</u></u>
<b>Net book value</b>	
<b>At 31 December 2003</b>	<u><u>4,581,076</u></u>
At 31 December 2002	<u><u>1,205,835</u></u>

# Chancellor Care Limited

## Notes to the abbreviated accounts

Year ended 31 December 2003

### 3. Creditors: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2003 £	2002 £
Bank loans & overdrafts	147,392	41,265
Obligations under hire purchase and finance leases	19,831	5,324
	<u>167,223</u>	<u>46,589</u>

### 4. Creditors: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2003 £	2002 £
Bank loans & overdrafts	3,644,590	758,556
Obligations under hire purchase and finance leases	43,488	11,499
	<u>3,688,078</u>	<u>770,055</u>

Included within creditors falling due after more than one year is an amount of £2,745,163 (2002 - £Nil) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

### 5. Share capital

#### Authorised share capital:

	2003 £	2002 £
100,000 Ordinary £1 shares of £1 each	—	100,000.00
14,000 Ordinary £0.01 shares of £0.01 each	140.00	—
25,000 Redeemable preference shares of £1 each	25,000.00	100,000.00
	<u>25,140.00</u>	<u>200,000.00</u>

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

	2003		2002	
	No	£	No	£
Ordinary £1 shares	—	—	112	112
Ordinary £0.01 shares	14,000	140	—	—
Redeemable preference shares	25,000	25,000	25,000	25,000
	<u>39,000</u>	<u>25,140</u>	<u>25,112</u>	<u>25,112</u>

Under the terms of the company's Articles of Association, the redeemable preference shares are redeemable at their nominal value on or before 31 December 2012 but, in accordance with the requirements of company law these shares will not be redeemed until the company has sufficient distributable reserves for this purpose.

The redeemable preference shares carry no further right of participation in the profits of the company other than a cumulative preference dividend of 9% per annum.

In the event of winding up the company, any assets remaining after payment of all liabilities and costs will be used first to pay in arrears of preference dividends, then to repay called preference share capital and finally any balance will be distributed amongst the holders of ordinary shares.

# **Chancellor Care Limited**

## **Notes to the abbreviated accounts**

**Year ended 31 December 2003**

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### **6. Controlling interest**

Mr A J Chancellor owns 58.7% of the issued share capital of the company and, as such, controls the company.