

REGISTERED NUMBER: 3943652 (England and Wales)

Abbreviated Accounts

For The Year Ended 31st July 2006

for

A J & CO. (DEVON) LTD



A J & CO. (DEVON) LTD

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For The Year Ended 31st July 2006

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A J & CO. (DEVON) LTD

Company Information
For The Year Ended 31st July 2006

DIRECTORS: R W Smallridge
D J Smallridge
Mrs N A Smallridge
Mrs C M Smallridge

SECRETARY: Mrs C M Smallridge

REGISTERED OFFICE: Ludbrook House
Ludbrook
Ivybridge
Devon
PL21 0LL

REGISTERED NUMBER: 3943652 (England and Wales)

AUDITORS: Potter Baker
Registered Auditors
Chartered Accountants
20 Western Road
Launceston
Cornwall
PL15 7BA

A J & CO. (DEVON) LTD

Report of the Directors
For The Year Ended 31st July 2006

The directors present their report with the accounts of the company for the year ended 31st July 2006

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of The principal activity of the company in the year under review was the operation of Nursing and Residential Homes

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed accounts

DIVIDENDS

No dividends will be distributed for the year ended 31st July 2006.

DIRECTORS

The directors during the year under review were

R W Smallridge
D J Smallridge
Mrs N A Smallridge
Mrs C M Smallridge

The beneficial interests of the directors holding office on 31st July 2006 in the issued share capital of the company were as follows

	31.7 06	1 8 05
Ordinary £1 shares		
R W Smallridge	177,549	177,549
D J Smallridge	177,549	177,549
Mrs N A Smallridge	-	-
Mrs C M Smallridge	-	-

A J & CO. (DEVON) LTD

Report of the Directors
For The Year Ended 31st July 2006

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 these 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Potter Baker, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



R W Smallridge - Director

Date

24/5/07 .. .

Report of the Independent Auditors to
A J & Co. (Devon) Ltd
Under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages five to nineteen, together with the financial statements of A J & Co (Devon) Ltd for the year ended 31st July 2006 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

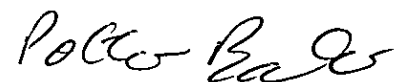
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin 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.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.



Potter Baker
Registered Auditors
Chartered Accountants
20 Western Road
Launceston
Cornwall
PL15 7BA

29th May 2007

A J & CO. (DEVON) LTD

Abbreviated Profit and Loss Account
For The Year Ended 31st July 2006

		<u>2006</u>	<u>2005</u>
	Notes	£	£
GROSS PROFIT		745,954	716,418
Administrative expenses		<u>507,146</u>	<u>477,982</u>
OPERATING PROFIT	3	238,808	238,436
Interest receivable and similar income		<u>2,724</u>	<u>3,649</u>
		241,532	242,085
Interest payable and similar charges	4	<u>110,617</u>	<u>122,875</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		130,915	119,210
Tax on profit on ordinary activities	5	<u>173</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		130,742	119,210
Retained profit brought forward		<u>161,383</u>	<u>42,173</u>
RETAINED PROFIT CARRIED FORWARD		<u><u>£292,125</u></u>	<u><u>£161,383</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years

The notes form part of these abbreviated accounts

A J & CO. (DEVON) LTD

Statement of Total Recognised Gains and Losses
For The Year Ended 31st July 2006

	<u>2006</u>	<u>2005</u>
	£	£
PROFIT FOR THE FINANCIAL YEAR	130,742	119,210
Revaluation of Pendruccombe House		
	<u> </u>	<u> </u>
TOTAL RECOGNISED GAINS AND LOSSES		
RELATING TO THE YEAR	<u>£130,742</u>	<u>£119,210</u>

The notes form part of these abbreviated accounts

A J & CO. (DEVON) LTD

Abbreviated Balance Sheet

31st July 2006

		2006		2005	
	Notes	£	£	£	£
FIXED ASSETS:					
Intangible assets	6		474,686		502,186
Tangible assets	7		3,095,891		3,107,473
			<u>3,570,577</u>		<u>3,609,659</u>
CURRENT ASSETS:					
Stocks	8	12,680		7,613	
Debtors	9	113,736		98,666	
Cash at bank and in hand		92,560		127,798	
		<u>218,976</u>		<u>234,077</u>	
CREDITORS: Amounts falling due within one year					
	10	189,187		256,691	
NET CURRENT ASSETS/(LIABILITIES):					
			<u>29,789</u>		<u>(22,614)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:					
			3,600,366		3,587,045
CREDITORS: Amounts falling due after more than one year					
	11		1,689,443		1,806,864
			<u>£1,910,923</u>		<u>£1,780,181</u>

The notes form part of these abbreviated accounts

A J & CO. (DEVON) LTD

Abbreviated Balance Sheet

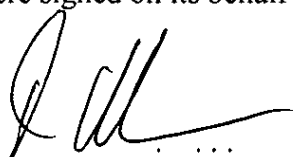
31st July 2006

		2006		2005	
	Notes	£	£	£	£
CAPITAL AND RESERVES:					
Called up share capital	14		686,543		686,543
Share premium	15		215,555		215,555
Revaluation reserve	16		716,700		716,700
Profit and loss account			292,125		161,383
SHAREHOLDERS' FUNDS:	18		£1,910,923		£1,780,181

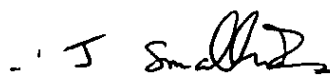
These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies

The financial statements were approved by the Board of Directors on
and were signed on its behalf by

24/5/07



R W Smallridge - Director



D J Smallridge - Director

The notes form part of these abbreviated accounts

A J & CO. (DEVON) LTD**Cash Flow Statement**
For The Year Ended 31st July 2006

		<u>2006</u>		<u>2005</u>	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		248,077		315,047
Returns on investments and servicing of finance	2		(107,893)		(119,226)
Taxation			438		-
Capital expenditure	2		(9,406)		(19,065)
			<u>131,216</u>		<u>176,756</u>
Financing	2		(166,454)		(115,082)
(Decrease)/Increase in cash in the period			<u><u>£(35,238)</u></u>		<u><u>£61,674</u></u>
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
(Decrease)/Increase in cash in the period			(35,238)		61,674
Cash outflow from decrease in debt			<u>166,455</u>		<u>115,082</u>
Change in net debt resulting from cash flows			<u>131,217</u>		<u>176,756</u>
Movement in net debt in the period			<u>131,217</u>		<u>176,756</u>
Net debt at 1st August			<u>(1,745,267)</u>		<u>(1,922,023)</u>
Net debt at 31st July			<u><u>£(1,614,050)</u></u>		<u><u>£(1,745,267)</u></u>

The notes form part of these abbreviated accounts

A J & CO. (DEVON) LTD

Notes to the Cash Flow Statement
For The Year Ended 31st July 2006

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2006 £	2005 £
Operating profit	238,808	238,436
Depreciation charges	48,487	51,440
(Increase)/Decrease in stocks	(5,067)	4,587
Increase in debtors	(15,070)	(30,356)
(Decrease)/Increase in creditors	(19,081)	50,940
	<hr/>	<hr/>
Net cash inflow from operating activities	248,077	315,047
	<hr/> <hr/>	<hr/> <hr/>

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW ST

	2006 £	2005 £
Returns on investments and servicing of finance		
Interest received	2,724	3,649
Interest paid	(110,617)	(122,875)
	<hr/>	<hr/>
Net cash outflow for returns on investments and servicing of finance	(107,893)	(119,226)
	<hr/> <hr/>	<hr/> <hr/>
Capital expenditure		
Purchase of tangible fixed assets	(9,406)	(19,065)
	<hr/>	<hr/>
Net cash outflow for capital expenditure	(9,406)	(19,065)
	<hr/> <hr/>	<hr/> <hr/>
Financing		
Loan repayments in year	(166,454)	(115,082)
	<hr/>	<hr/>
Net cash outflow from financing	(166,454)	(115,082)
	<hr/> <hr/>	<hr/> <hr/>

The notes form part of these abbreviated accounts

A J & CO. (DEVON) LTD

Notes to the Cash Flow Statement
For The Year Ended 31st July 2006

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1.8 05 £	Cash flow £	At 31.7 06 £
Net cash			
Cash at bank and in hand	127,798	(35,238)	92,560
	<u>127,798</u>	<u>(35,238)</u>	<u>92,560</u>
Debt			
Debts falling due within one year	(66,201)	49,034	(17,167)
Debts falling due after one year	(1,806,864)	117,421	(1,689,443)
	<u>(1,873,065)</u>	<u>166,455</u>	<u>(1,706,610)</u>
Total	<u>(1,745,267)</u>	<u>131,217</u>	<u>(1,614,050)</u>

Analysed in Balance Sheet

Cash at bank and in hand	127,798	92,560
Debts falling due within one year	(66,201)	(17,167)
Debts falling due after one year	(1,806,864)	(1,689,443)
	<u>(1,745,267)</u>	<u>(1,614,050)</u>

The notes form part of these abbreviated accounts

A J & CO. (DEVON) LTD

Notes to the Abbreviated Accounts **For The Year Ended 31st July 2006**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets

Turnover

Turnover represents gross income from residents and sundry services The company is not VAT registered

Goodwill

Goodwill, being the amount paid in connection with acquisition of a business in 2000 and subsequent purchase of a further business in 2004, being written off evenly over it's estimated useful life of twenty years

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Fixtures, Fittings etc - 20% on reducing balance

Motor Vehicles - 25% on reducing balance

No depreciation is charged on the company's properties as depreciation is deemed to be immaterial The buildings are expected to have long economic lives and very high residual values

Stocks

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

Deferred tax

Deferred tax is not recognised as no material liability is expected to arise in the foreseeable future

2 STAFF COSTS

	2006	2005
	£	£
Wages and salaries	1,569,314	1,436,338
Social security costs	109,416	104,472
	<u>1,678,730</u>	<u>1,540,810</u>

A J & CO. (DEVON) LTD

Notes to the Abbreviated Accounts
For The Year Ended 31st July 2006

2 STAFF COSTS - continued

The average monthly number of employees during the year was as follows

2006	2005
171	157
<u> </u>	<u> </u>

3 OPERATING PROFIT

The operating profit is stated after charging

	2006	2005
	£	£
Depreciation - owned assets	20,987	23,940
Goodwill written off	27,500	27,500
Auditors' remuneration	4,406	4,406
	<u> </u>	<u> </u>
Directors' emoluments	90,000	89,980
	<u> </u>	<u> </u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2006	2005
	£	£
Bank interest	655	2,616
Bank loan interest	109,962	120,259
	<u> </u>	<u> </u>
	110,617	122,875
	<u> </u>	<u> </u>

5 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2006	2005
	£	£
Current tax.		
UK corporation tax	173	-
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	173	-
	<u> </u>	<u> </u>

A J & CO. (DEVON) LTD

Notes to the Abbreviated Accounts
For The Year Ended 31st July 2006

6 INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST:	
At 1st August 2005	
and 31st July 2006	549,999
AMORTISATION:	
At 1st August 2005	47,813
Charge for year	27,500
At 31st July 2006	75,313
NET BOOK VALUE:	
At 31st July 2006	474,686
At 31st July 2005	502,186

7 TANGIBLE FIXED ASSETS

	Freehold property	Improvements to property	Fixtures and fittings
	£	£	£
COST OR VALUATION:			
At 1st August 2005	2,998,964	13,684	164,353
Additions	-	-	9,406
At 31st July 2006	2,998,964	13,684	173,759
DEPRECIATION:			
At 1st August 2005	-	-	73,721
Charge for year	-	-	20,008
At 31st July 2006	-	-	93,729
NET BOOK VALUE:			
At 31st July 2006	2,998,964	13,684	80,030
At 31st July 2005	2,998,964	13,684	90,633

A J & CO. (DEVON) LTD

Notes to the Abbreviated Accounts
For The Year Ended 31st July 2006

7 TANGIBLE FIXED ASSETS - continued

	Motor vehicles	Computer equipment	Totals
	£	£	£
COST OR VALUATION:			
At 1st August 2005	8,300	4,200	3,189,501
Additions	-	-	9,406
At 31st July 2006	8,300	4,200	3,198,907
DEPRECIATION:			
At 1st August 2005	5,484	2,824	82,029
Charge for year	704	275	20,987
At 31st July 2006	6,188	3,099	103,016
NET BOOK VALUE:			
At 31st July 2006	2,112	1,101	3,095,891
At 31st July 2005	2,816	1,376	3,107,473

Cost or valuation at 31st July 2006 is represented by

If Pendrucombe had not been revalued it would have been included at the following historical cost

	2006 £	2005 £
Cost	533,300	533,300

Pendrucombe House was valued on an open market basis on 30th September 2003 by H J James MRICS of Messrs King Sturge

8 STOCKS

	2006 £	2005 £
Stock	12,680	7,613

A J & CO. (DEVON) LTD

Notes to the Abbreviated Accounts
For The Year Ended 31st July 2006

**9 DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2006 £	2005 £
Trade debtors	89,246	59,392
Other debtors	4,898	15,968
Prepayments	-	5,466
Directors Loan Accounts	19,592	17,840
	<u>113,736</u>	<u>98,666</u>

**10 CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2006 £	2005 £
Bank loans and overdrafts (see note 12)	17,167	66,201
Trade creditors	50,395	95,687
Other creditors	79,870	57,419
Social security & other taxes	32,849	24,665
Taxation	611	-
Accrued expenses	8,295	12,719
	<u>189,187</u>	<u>256,691</u>

**11 CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2006 £	2005 £
Bank loans (see note 12)	<u>1,689,443</u>	<u>1,806,864</u>

A J & CO. (DEVON) LTD

Notes to the Abbreviated Accounts
For The Year Ended 31st July 2006

12 LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below

	2006 £	2005 £
Amounts falling due within one year or on demand		
Bank loans	<u>17,167</u>	<u>66,201</u>
Amounts falling due between one and two years:		
Bank loans	<u>18,271</u>	<u>17,243</u>
Amounts falling due between two and five years		
Bank loans	<u>62,173</u>	<u>58,675</u>
Amounts falling due in more than five years		
Repayable by instalments		
Bank loans	<u>1,608,999</u>	<u>1,730,946</u>

13 SECURED DEBTS

The following secured debts are included within creditors:

	2006 £	2005 £
Bank Loans	<u>1,706,610</u>	<u>1,823,065</u>

The above debts are secured by a 1st legal charge dated 7/8/00 over the freehold property of Pendruccombe House, 23 Tavistock Road, Launceston , and a 1st legal charge dated 8/1/04 over the freehold property of Meadowside and St Francis, Plymbridge Road, Plympton

The debts are also secured against an unlimited debenture dated 19/7/00 which includes the right of set off

A J & CO. (DEVON) LTD

Notes to the Abbreviated Accounts
For The Year Ended 31st July 2006

14 CALLED UP SHARE CAPITAL

Authorised Number	Class	Nominal value £1	2006 £	2005 £
1,000,000	Ordinary		<u>1,000,000</u>	<u>1,000,000</u>

Allotted, issued and fully paid Number	Class	Nominal value £1	2006 £	2005 £
686,543	Ordinary		<u>686,543</u>	<u>686,543</u>

15 SHARE PREMIUM

	2006 £	2005 £
Brought forward	<u>215,555</u>	<u>215,555</u>

16 REVALUATION RESERVE

	2006 £	2005 £
Brought forward	<u>716,700</u>	<u>716,700</u>

17 TRANSACTIONS WITH DIRECTORS

During the year the company operated a loan account with the four Directors. The maximum outstanding during the year was £19,592 and this remained outstanding at the year end. The loan was interest free.

18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2006 £	2005 £
Profit for the financial year	130,742	119,210
Share Issue		
Net addition to shareholders' funds	<u>130,742</u>	<u>119,210</u>
Opening shareholders' funds	1,780,181	1,660,971
Closing shareholders' funds	<u>1,910,923</u>	<u>1,780,181</u>
Equity interests	<u>1,910,923</u>	<u>1,780,181</u>

A J & CO. (DEVON) LTD

Notes to the Abbreviated Accounts
For The Year Ended 31st July 2006

19 REVALUATION

Pencruccombe House has been revalued during the year ended 31st July 2004 to £1,250,000, and if disposed of at this valuation, the corporation tax arising would be approximately £246,500