

Registered Number: 4159705  
England and Wales

ALI WAL HEALTHCARE LIMITED

REPORT AND ACCOUNTS  
FOR THE PERIOD ENDED  
31 MARCH 2002



ALI WAL HEALTHCARE LIMITED

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The following pages do not form part of the statutory accounts:

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ALIWAL HEALTHCARE LIMITED

Company Information

Director	O Ertosun
Secretary	Z Ertosun
Registered Office	5-15 Cromer Street London WC1H 8LS
Registered Number	4159705 England and Wales
Auditors	Sayman and Partners Registered Auditors 5-15 Cromer Street London WC1H 8LS

# ALI WAL HEALTHCARE LIMITED

## REPORT OF THE DIRECTORS

The director present his annual report with the accounts of the company for the period ended 31 March 2002.

### PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was the operation of a nursing home for the elderly.

### DIRECTOR

The director and his beneficial interest in the company's issued ordinary share capital was as follows:

31.3.02

O Ertosun

100

===

### DIRECTORS' RESPONSIBILITIES

Company law requires the director to prepare accounts 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 accounts, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 them to ensure that the accounts comply with the Companies Act 1985. He is 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.

**ALIWAL HEALTHCARE LIMITED**

**REPORT OF THE DIRECTORS - (CONTINUED)**

**POLITICAL AND CHARITABLE CONTRIBUTIONS**

During the period the company made a contribution of £10 to children with leukaemia.

**THE EURO**

The impact of the euro has been considered generally by the company. Although the impact of the changeover to the euro is not currently anticipated to be significant, this issue is being closely monitored.

**AUDITORS**

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

This report has been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of  
the board of directors

Z Ertosun  
Secretary

Approved by the board: 30 September 2002

**INDEPENDENT AUDITORS' REPORT TO THE  
SHAREHOLDERS OF ALIWAL HEALTHCARE LIMITED**

We have audited the accounts of Aliwal Healthcare Limited for the period ended 31 March 2002, which comprise the Profit and Loss Account, Balance Sheet and the related notes. These accounts have been prepared under the historical cost convention, as modified by the revaluation of certain assets and the accounting policies set out therein.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described in the statement of Director's Responsibilities the company's director is responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Director's Report is not consistent with the accounts, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and transactions with the company is not disclosed.

We read the director's report and consider the implications for our report if we become aware of any apparent misstatements within it.

**BASIS OF AUDIT OPINION**

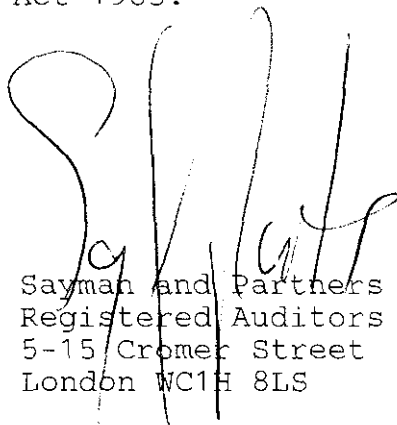
We conducted our audit in accordance with United Kingdom Standards issued by The Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements by the directors in the preparation of the accounts, 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 accounts 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 accounts.

INDEPENDENT AUDITORS' REPORT TO THE  
SHAREHOLDERS OF ALIWAL HEALTHCARE LIMITED

OPINION

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 March 2002 and of its profit/(loss) for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



Sayman and Partners  
Registered Auditors  
5-15 Cromer Street  
London WC1H 8LS

Date: 30 September 2002

**ALIWAL HEALTHCARE LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED 31 MARCH 2002**

	Notes	2002
		£
<b>TURNOVER</b> - Continuing Operations 2		377758
Cost of sales		<u>(351742)</u>
<b>GROSS PROFIT</b>		26016
Distribution costs		(2029)
Administrative expenses		<u>(93877)</u>
<b>OPERATING PROFIT/(LOSS)</b> - Continuing operations		(69890)
Other income		2954
Interest Payable		<u>(119)</u>
<b>PROFIT/(LOSS)</b> on ordinary activities before taxation		(67055)
<b>TAXATION</b> - UK Corporation Tax 7		<u>-</u>
<b>PROFIT/(LOSS)</b> for the financial period after taxation		(67055)
<b>DIVIDENDS</b> paid 8		<u>-</u>
<b>RETAINED LOSS</b> for the period		(67055) =====

**CONTINUING OPERATIONS**

The company was incorporated on 14 February 2001 and commenced trading on 20 June 2001.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the loss in the above period and therefore no separate statement of total recognised gains and losses have been prepared.



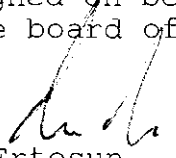
ALIWAL HEALTHCARE LIMITED

BALANCE SHEET - 31 MARCH 2002

	Notes	2002 £
<b>FIXED ASSETS</b>		
Tangible assets	6	<u>23484</u>
<b>CURRENT ASSETS</b>		
Stocks	9	300
Debtors	10	48704
Cash in hand		<u>1082</u>
		50086
<b>CREDITORS:</b> Amounts falling due within one year	11	<u>(130625)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(80539)</u>
<b>NET LIABILITIES</b>		(57055)
		=====
<b>CAPITAL AND RESERVES</b>		
Called up share capital	12	10000
Profit and loss account		<u>(67055)</u>
<b>SHAREHOLDERS' FUNDS</b>	13	<u>(57055)</u>
(including non-equity interests)		=====

These accounts have been prepared in accordance with special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of  
the board of directors

  
O Ertosun  
Director

Approved by the board: 30 September 2002

ALI WAL HEALTHCARE LIMITED

NOTES TO THE ACCOUNTS - 31 MARCH 2002

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standard.

Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity is exempt from the requirement to prepare such a statement under FRS1.

Turnover

Turnover represents net invoiced value of services provided.

Tangible fixed assets

Depreciation is provided so as to write off each asset over its estimated useful life. The rate used:

Fixtures, Fittings and Equipment	-25% on cost
-------------------------------------	--------------

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred taxation

No provision for deferred tax was made as There were no material timing differences between, depreciation and capital allowances or other timing differences.

# ALI WAL HEALTHCARE LIMITED

## NOTES TO THE ACCOUNTS - 31 MARCH 2002 - CONTINUED

### 2. TURNOVER

Turnover attributable to geographical markets outside the United Kingdom amounted to NIL.

### 3. OPERATING PROFIT/(LOSS)

The operating profit is stated after charging:

	2002 £
Depreciation of tangible fixed assets	7828
	=====
Auditors' remuneration	2350
	=====

### 4. EMPLOYEE INFORMATION

- a) The average number of persons employed during the period was:

By activity	£
Production	50
Administration	1
	<u>51</u>
	==

- b) Employment cost £

i) Production	
Aggregate wages and salaries	288692
Social security costs	15598
Other pension cost	21518
	<u>325808</u>
	=====
ii) Administration	
Aggregate wages and salaries	9786
Social security costs	760
Other pension cost	-
	<u>10546</u>
	=====

ALIWAL HEALTHCARE LIMITED

NOTES TO THE ACCOUNTS - 31 MARCH 2002 - CONTINUED

5. INTEREST PAYABLE AND SIMILAR CHARGES

	£
Interest payable on:	
Bank overdrafts	119
	===

6. TANGIBLE FIXED ASSETS

	Fixtures Fittings & Equipment	Total
	£	£
<b>Cost</b>		
At 20.06.01	-	-
Additions	<u>31312</u>	<u>31312</u>
At 31.03.02	<u>31312</u>	<u>31312</u>
	=====	=====
<b>Depreciation</b>		
At 20.06.01	-	-
Charge for the period	<u>7828</u>	<u>7828</u>
At 31.03.02	<u>7828</u>	<u>7828</u>
	=====	=====
<b>Net book values</b>		
At 31.03.02	23484	23484
	=====	=====
AT 20.06.01	-	-
	=====	=====

7. TAXATION

	2002 £
UK Corporation Tax	NIL
	===

ALI WAL HEALTHCARE LIMITED

NOTES TO THE ACCOUNTS - 31 MARCH 2002 - CONTINUED

8. DIVIDENDS

2002  
£

Dividends on ordinary share NIL  
===

9. STOCKS

2002  
£

300  
=====

10. DEBTORS

2002  
£

Trade debtors 36754  
Other debtors and prepayments 2050  
Amounts owing from group  
undertakings and associates 9900  
48704  
=====

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

2002  
£

Bank overdraft 6301  
Trade creditors 6336  
Other creditors and accruals 54233  
Amounts owing to group  
undertakings 62831  
Taxes and Social Security 924  
130625  
=====

12. CALLED UP SHARE CAPITAL

2002  
£

Authorised,  
10000 ordinary shares of £1 each 10000  
=====

Allotted,  
called up and fully paid  
10000 ordinary shares of £1 each 10000  
=====

# ALI WAL HEALTHCARE LIMITED

## NOTES TO THE ACCOUNTS - 31 MARCH 2002 - CONTINUED

### 13. RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS' FUNDS

	2002 £
Profit/(loss) for the period after taxation	(67717)
Dividends	-
	<u>(67055)</u>
New share capital subscribed	<u>10000</u>
Closing shareholders' funds at 31.03.2002	<u>(57055)</u> =====

### 14. GOING CONCERN

The accounts have been prepared on a going concern basis despite the deficit in the shareholders' funds as it is the opinion of the director that this deficit is of a temporary nature and will improve in the future.

### 15. RELATED PARTY TRANSACTIONS

During the period the company paid rent of £9173 to Excelcare Properties Limited, a related company. The rent represented current market price of rent paid on similar properties. In addition, £13985 was paid to Castlebar Healthcare Limited, which is also a related company, for management charges.

At the balance sheet date the company owed £62831 to group undertakings and associates and was owed £9900 from group undertakings and associates.

The company took over the operations of the nursing home from Cambridge Council on 20 June 2001. In order to safeguard the pension rights of the company's existing employees another subsidiary of its' holding company, Excelcare Group Ltd, deposited a sum of £400,000 with The Royal Bank of Scotland Plc, to be held in trust in the names of Zurich GSG Limited and Excelcare Properties Limited jointly.

### 17. ULTIMATE HOLDING COMPANY

The ultimate holding company is Excelcare Group Limited a company registered in Jersey, Channel islands.