



**RETIREMENT VILLAGES (RUGBY) LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2004**



**GERALD EDELMAN**  
CHARTERED ACCOUNTANTS

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# RETIREMENT VILLAGES (RUGBY) LIMITED

## COMPANY INFORMATION

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**Directors**

A.F.L. Amhurst  
R.A. Brown  
W.C. Gair  
P.J. Rand

**Secretary**

A.F.L. Amhurst and P. J. Rand

**Company number**

4419300

**Registered office**

Elmbridge Village  
Elmbridge Road  
Cranleigh  
Surrey  
GU6 8TR

**Auditors**

Gerald Edelman  
25 Harley Street  
London  
W1G 9BR

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# RETIREMENT VILLAGES (RUGBY) LIMITED

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# RETIREMENT VILLAGES (RUGBY) LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 30 SEPTEMBER 2004**

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The directors present their report and financial statements for the year ended 30 September 2004.

### Principal activities and review of the business

The principal activity of the company continued to be that of property development, however the company has been dormant throughout the year.

### Results and dividends

The results for the year are set out on page 3.

The directors do not recommend payment of an ordinary dividend .

### Directors

The following directors have held office since 1 October 2003:

A.F.L. Amhurst  
R.A. Brown  
W.C. Gair  
P.J. Rand

The ultimate holding company is Retirement Villages Plc. The interests of the directors in the shares of the ultimate holding company are shown in its Report of the Directors.

### Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Gerald Edelman be reappointed as auditors of the company will be put to the Annual General Meeting.

### 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.

On behalf of the board



P.J. Rand

**Director**

11 January 2005

# RETIREMENT VILLAGES (RUGBY) LIMITED

## INDEPENDENT AUDITORS' REPORT

### TO THE SHAREHOLDERS OF RETIREMENT VILLAGES (RUGBY) LIMITED

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We have audited the financial statements of Retirement Villages (Rugby) Limited on pages 3 to 9 for the year ended 30 September 2004. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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

We report to you our opinion as to whether the financial statements 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 directors' report is not consistent with the financial statements, 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 directors' remuneration and transactions with the company is not disclosed.

We read the directors' 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 Auditing 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 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 the company's affairs as at 30 September 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
**Gerald Edelman**

Chartered Accountants  
**Registered Auditor**

11 January 2005

25 Harley Street  
London  
W1G 9BR

# RETIREMENT VILLAGES (RUGBY) LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2004

	Notes	2004 £	2003 £
Turnover	2	-	5,500,449
Cost of sales		-	(4,024,727)
<b>Gross profit</b>		-	1,475,722
Administrative expenses		-	(12,940)
<b>Operating profit</b>	3	-	1,462,782
Other interest receivable and similar income	4	-	195
Interest payable and similar charges	5	-	(1,397,041)
<b>Profit on ordinary activities before taxation</b>		-	65,936
Tax on profit on ordinary activities	6	10,678	(17,011)
<b>Profit on ordinary activities after taxation</b>	11	10,678	48,925

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

# RETIREMENT VILLAGES (RUGBY) LIMITED

## BALANCE SHEET AS AT 30 SEPTEMBER 2004

	Notes	2004 £	£	2003 £	£
<b>Fixed assets</b>					
Investments	7		1		1
<b>Current assets</b>					
Debtors	8	1,000		84,905	
Cash at bank and in hand		1,253		2,512	
		<u>2,253</u>		<u>87,417</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(15,170)</u>		<u>(111,012)</u>	
<b>Net current liabilities</b>			<u>(12,917)</u>		<u>(23,595)</u>
<b>Total assets less current liabilities</b>			<u>(12,916)</u>		<u>(23,594)</u>
<b>Capital and reserves</b>					
Called up share capital	10		1,000		1,000
Profit and loss account	11		<u>(13,916)</u>		<u>(24,594)</u>
<b>Shareholders' funds - equity interests</b>	12		<u>(12,916)</u>		<u>(23,594)</u>

The financial statements were approved by the Board on 11 January 2005



P.J. Rand  
Director

# RETIREMENT VILLAGES (RUGBY) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2004

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

#### 1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 1.5 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax assets are only recognised when regarded as recoverable. The deferred tax balance has not been discounted.

#### 1.6 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 228 of the Companies Act 1985 as it is a subsidiary undertaking of Retirement Villages Plc, a company incorporated in England and Wales, and is included in the consolidated accounts of that company.

### 2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

### 3 Operating profit

	2004	2003
	£	£
Operating profit is stated after charging:		
Auditors' remuneration	-	1,998

### 4 Investment income

	2004	2003
	£	£
Bank interest	-	195



# RETIREMENT VILLAGES (RUGBY) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2004

<b>5</b>	<b>Interest payable</b>	<b>2004</b>	<b>2003</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	-	86,992
	Other interest	-	1,310,049
		<u>-</u>	<u>1,397,041</u>
		<u>-</u>	<u>1,397,041</u>
<b>6</b>	<b>Taxation</b>	<b>2004</b>	<b>2003</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U.K. corporation tax	-	17,011
	Adjustment for prior years	(10,678)	-
		<u>(10,678)</u>	<u>-</u>
	<b>Current tax charge</b>	<u>(10,678)</u>	<u>17,011</u>
	<b>Factors affecting the tax charge for the year</b>		
	(Loss)/profit on ordinary activities before taxation	-	65,936
		<u>-</u>	<u>65,936</u>
	(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 0.00% (2003: 30.00%)	-	19,781
		<u>-</u>	<u>19,781</u>
	Effects of:		
	Marginal rate relief	-	(2,770)
	Adjustments to previous periods	(10,678)	-
		<u>(10,678)</u>	<u>(2,770)</u>
		<u>(10,678)</u>	<u>(2,770)</u>
	<b>Current tax charge</b>	<u>(10,678)</u>	<u>17,011</u>

# RETIREMENT VILLAGES (RUGBY) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2004

### 7 Fixed asset investments

	Shares in subsidiary undertakings £
<b>Cost</b>	
At 1 October 2003 & at 30 September 2004	<u>1</u>

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
<b>Subsidiary undertakings</b>			
Lime Tree Village Limited	England and Wales	Ordinary shares	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2004 £	Loss for the year 2004 £
Lime Tree Village Limited	Principal activity Property development	<u>(1,960)</u>	<u>2,084</u>

### 8 Debtors

	2004 £	2003 £
Amounts owed by group undertakings	1,000	13,343
Other debtors	-	71,562
	<u>1,000</u>	<u>84,905</u>

# RETIREMENT VILLAGES (RUGBY) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2004

<b>9</b>	<b>Creditors: amounts falling due within one year</b>	<b>2004</b>	<b>2003</b>
		£	£
	Amounts owed to group undertakings	15,170	77,001
	Corporation tax	-	17,011
	Accruals and deferred income	-	17,000
		<u>15,170</u>	<u>111,012</u>
<b>10</b>	<b>Share capital</b>	<b>2004</b>	<b>2003</b>
		£	£
	<b>Authorised</b>		
	1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	<b>Allotted, called up and fully paid</b>		
	1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>11</b>	<b>Statement of movements on profit and loss account</b>		<b>Profit and loss account</b>
			£
	Balance at 1 October 2003		(24,594)
	Retained profit for the year		<u>10,678</u>
	Balance at 30 September 2004		<u>(13,916)</u>
<b>12</b>	<b>Reconciliation of movements in shareholders' funds</b>	<b>2004</b>	<b>2003</b>
		£	£
	Profit for the financial year	10,678	48,925
	Opening shareholders' funds	<u>(23,594)</u>	<u>(72,519)</u>
	Closing shareholders' funds	<u>(12,916)</u>	<u>(23,594)</u>
<b>13</b>	<b>Employees</b>		
	<b>Number of employees</b>		
	There were no employees during the year apart from the directors.		

# **RETIREMENT VILLAGES (RUGBY) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 30 SEPTEMBER 2004**

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### **14 Control**

The parent company is Retirement Villages Developments Limited and the ultimate parent company is Retirement Villages Plc. Both companies are registered in England and Wales. Retirement Villages Plc prepares consolidated financial statements and copies can be obtained from its registered office at 8 Queen Street, London, W1J 5PD.

### **15 Related party transactions**

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.