

Chancellor Children's Care Limited
Abbreviated accounts

For the period ended
31 December 2004



Chancellor Children's Care Limited

Abbreviated accounts

Period from 23 June 2004 to 31 December 2004

Contents	Page
Independent auditors' report to the company	1
Abbreviated balance sheet	2
Notes to the abbreviated accounts	3

Chancellor Children's Care Limited

Independent auditors' report to the company

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the period from 23 June 2004 to 31 December 2004 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 5 are properly prepared in accordance with those provisions.

102 Prince of Wales Road
Norwich
Norfolk
NR1 1NY

20th May 2005

LoveWell Blake

LOVEWELL BLAKE
Chartered Accountants
& Registered Auditors

Chancellor Children's Care Limited

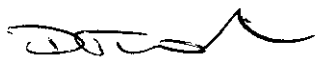
Abbreviated balance sheet


31 December 2004

	Note	£	31 Dec 04 £
Fixed assets	2		
Intangible assets			56,690
Tangible assets			<u>431,329</u>
			488,019
Current assets			
Stocks		500	
Debtors		68,076	
Cash at bank and in hand		<u>114,267</u>	
		182,843	
Creditors: Amounts falling due within one year	3	<u>(91,948)</u>	
Net current assets			<u>90,895</u>
Total assets less current liabilities			<u>578,914</u>
Creditors: Amounts falling due after more than one year	4		<u>(445,735)</u>
			<u>133,179</u>
Capital and reserves			
Called-up share capital	5		145,724
Profit and loss account			<u>(12,545)</u>
Shareholders' funds			<u>133,179</u>

These abbreviated accounts 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 19 May 2005 and are signed on their behalf by:


D J Wilson


A W Breeze

The notes on pages 3 to 5 form part of these abbreviated accounts.

Chancellor Children's Care Limited

Notes to the abbreviated accounts

Period from 23 June 2004 to 31 December 2004

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, 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 period.

Amortisation

Amortisation 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:

Goodwill - 25% Straight line

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:

Fixtures & Fittings - 20% Reducing balance
Motor Vehicles - 25% Reducing balance

Stocks

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

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.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences.

Chancellor Children's Care Limited

Notes to the abbreviated accounts

Period from 23 June 2004 to 31 December 2004

2. Fixed assets

	Intangible Assets £	Tangible Assets £	Total £
Cost			
Additions	62,315	432,935	495,250
At 31 December 2004	<u>62,315</u>	<u>432,935</u>	<u>495,250</u>
Depreciation			
Charge for period	5,625	1,606	7,231
At 31 December 2004	<u>5,625</u>	<u>1,606</u>	<u>7,231</u>
Net book value			
At 31 December 2004	<u>56,690</u>	<u>431,329</u>	<u>488,019</u>

3. Creditors: Amounts falling due within one year

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

	31 Dec 04
	£
Bank loans & overdrafts	<u>14,265</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:

	31 Dec 04
	£
Bank loans & overdrafts	<u>445,735</u>

Included within creditors falling due after more than one year is an amount of £249,290 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:

	31 Dec 04
	£
85,700 Ordinary shares of £1 each	85,700
64,300 Preference shares of £1 each	64,300
	<u>150,000</u>

Allotted, called up and fully paid:

	No	£
Ordinary shares of £1 each	81,424	81,424
Preference shares of £1 each	64,300	64,300
	<u>145,724</u>	<u>145,724</u>

Chancellor Children's Care Limited

Notes to the abbreviated accounts

Period from 23 June 2004 to 31 December 2004

5. Share capital *(continued)*

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 2014 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.

6. Ultimate parent company

The ultimate parent company is Chancellor Care Limited, in which A J Chancellor has a controlling interest, as he has a beneficial interest in 59.4% of the issued share capital of that company. Chancellor Care Limited is incorporated in England.