

**EUROPEAN CARE (KLER) LIMITED**  
**FORMERLY EUROPEAN CARE SCOTLAND (III) LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**



**KLSA**  
Chartered Accountants

**EUROPEAN CARE (KLER) LIMITED  
FORMERLY EUROPEAN CARE SCOTLAND (III) LIMITED  
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**EUROPEAN CARE (KLER) LIMITED  
FORMERLY EUROPEAN CARE SCOTLAND (III) LIMITED  
INDEPENDENT AUDITORS' REPORT TO EUROPEAN CARE (KLER) LIMITED  
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated accounts set out on pages 2 to 4, together with the financial statements of European Care (Kler) Limited for the year ended 31 December 2007 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 them in an auditor's report on abbreviated accounts 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 the director and auditors**

The director is 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 abbreviated accounts have been properly prepared in accordance with those provisions 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 sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.

KLSA

**KLSA**

10 October 2008

Chartered Accountants  
**Registered Auditor**

28-30 St John's Square  
London  
EC1M 4DN

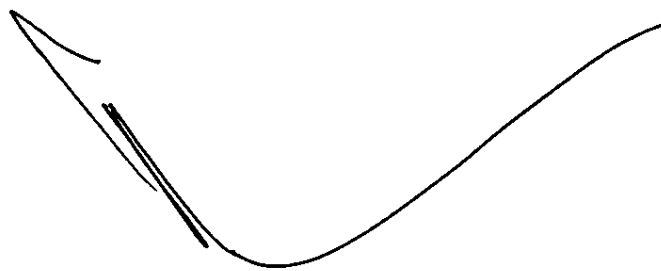
**EUROPEAN CARE (KLER) LIMITED**  
**FORMERLY EUROPEAN CARE SCOTLAND (III) LIMITED**  
**ABBREVIATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2007**

|  | Notes | 2007<br>£        | £ | 2006<br>£        | £ |
|--|-------|------------------|---|------------------|---|
| <b>Fixed assets</b>  |       |                  |   |                  |   |
| Tangible assets  | 3     | 1,240,607        |   | 1,223,787        |   |
| <b>Current assets</b>  |       |                  |   |                  |   |
| Stocks   |       | 13,500           |   | -                |   |
| Debtors  |       | 459,930          |   | 232,076          |   |
| Cash at bank and in hand                                       |       | 191              |   | 16,510           |   |
|  |       | <u>473,621</u>   |   | <u>248,586</u>   |   |
| <b>Creditors: amounts falling due within one year</b>          |       | <u>(675,935)</u> |   | <u>(243,779)</u> |   |
| <b>Net current (liabilities)/assets</b>                        |       | <u>(202,314)</u> |   | <u>4,807</u>     |   |
| <b>Total assets less current liabilities</b>                   |       | <u>1,038,293</u> |   | <u>1,228,594</u> |   |
| <b>Creditors: amounts falling due after more than one year</b> |       | <u>(5,862)</u>   |   | <u>-</u>         |   |
|  |       | <u>1,032,431</u> |   | <u>1,228,594</u> |   |
| <b>Capital and reserves</b>                                    |       |                  |   |                  |   |
| Called up share capital  | 4     | 1                |   | 1                |   |
| Revaluation reserve  |       | 1,186,396        |   | 1,223,077        |   |
| Profit and loss account  |       | <u>(153,966)</u> |   | <u>5,516</u>     |   |
| <b>Shareholders' funds</b>                                     |       | <u>1,032,431</u> |   | <u>1,228,594</u> |   |

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

Approved by the Board for issue on 10 October 2008

Anoup Treon  
Director



**EUROPEAN CARE (KLER) LIMITED**  
**FORMERLY EUROPEAN CARE SCOTLAND (III) LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**

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**1 Accounting policies**

**1.1 Accounting convention**

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

**1.2 Turnover**

Turnover is exempt from VAT and represents fees receivable from clients

**1.3 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows

|                                 |                            |
|---------------------------------|----------------------------|
| Fully operational trading units | Over the term of the lease |
| Fixtures, fittings & equipment  | 20% reducing balance       |
| Motor vehicles                  | 25% reducing balance       |

Fully equipped operational care homes incorporate the long leasehold land, buildings and any fixtures, fittings or equipment included within each trading unit. Properties within the company are professionally valued on existing use basis having regard to their trading potential in line with the requirements of FRS 15, "Tangible fixed assets"

Annual revaluation movements are transferred to the revaluation reserve and are included separately in the statement of total recognised gains and losses

An amount equal to the excess of the annual depreciation charge on the revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve

**2 Going concern**

After making enquiries, the director has formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. For this reason the director continues to adopt the going concern basis in preparing the financial statements

**EUROPEAN CARE (KLER) LIMITED**  
**FORMERLY EUROPEAN CARE SCOTLAND (III) LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**

**3 Fixed assets**

|                          | <b>Tangible<br/>assets<br/>£</b> |
|--------------------------|----------------------------------|
| <b>Cost or valuation</b> |                                  |
| At 1 January 2007        | 1,223,964                        |
| Additions                | 64,410                           |
| Revaluation              | (708)                            |
| At 31 December 2007      | <u>1,287,666</u>                 |
| <b>Depreciation</b>      |                                  |
| At 1 January 2007        | 177                              |
| Charge for the year      | 46,882                           |
| At 31 December 2007      | <u>47,059</u>                    |
| <b>Net book value</b>    |                                  |
| At 31 December 2007      | <u>1,240,607</u>                 |
| At 31 December 2006      | <u>1,223,787</u>                 |

| <b>4 Share capital</b>                    | <b>2007<br/>£</b> | <b>2006<br/>£</b> |
|---|-------------------|-------------------|
| <b>Authorised</b>                         |                   |                   |
| 100 Ordinary of £1 each                   | <u>100</u>        | <u>100</u>        |
| <b>Allotted, called up and fully paid</b> |                   |                   |
| 1 Ordinary of £1 each                     | <u>1</u>          | <u>1</u>          |

**5 Ultimate parent company**

In the opinion of the directors, the ultimate parent company and ultimate controlling party is Esquire Consolidated Limited, a company incorporated in the British Virgin Islands

The parent undertaking of European Care (Kler) Limited is European Care and Lifestyles (UK) Limited, a company incorporated in England and Wales. European Wellbeing (I) Limited is the parent undertaking of European Care and Lifestyles (UK) Limited

European Wellbeing (I) Limited prepares group financial statements and copies can be obtained from 28 Welbeck Street, London, W1G 8EW