

002 11 108
Company Registration No. 2027245 (England and Wales)

MOTHERDALE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004



MOTHERDALE LIMITED

COMPANY INFORMATION

Directors	Dr M N Maredia S E Maredia
Secretary	S E Maredia
Company number	2027245
Registered office	Summerfields St James Field Castle Eden Co. Durham
Auditors	Haines Watts Sterling House, 22 St Cuthberts Way Darlington Co Durham DL1 1GB
Business address	Summerfields St James Field Castle Eden Co. Durham
Bankers	Royal Bank of Scotland Plc 64 Fawcett Street Sunderland Tyne and Wear

MOTHERDALE LIMITED

CONTENTS

	Page
Directors' report	1
Independent auditors' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 - 8

MOTHERDALE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2004

The directors present their report and financial statements for the year ended 31 March 2004.

Principal activities

The principal activity of the company was property management.

Directors

The following directors have held office since 1 April 2003:

Dr M N Maredia
S E Maredia

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 March 2004	1 April 2003
S E Maredia	9	9
Dr M N Maredia	70	70

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Haines Watts 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.

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

On behalf of the board

S. E. Maredia

S E Maredia

Director

24/6/05

MOTHERDALE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF MOTHERDALE LIMITED

We have audited the financial statements of Motherdale Limited on pages 3 to 8 for the year ended 31 March 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.

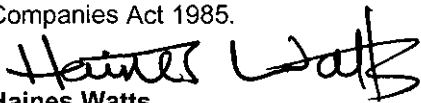
Basis of audit opinion

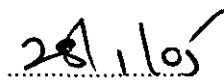
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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 31 March 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Haines Watts


28/1/05

Chartered Accountants
Registered Auditor

Sterling House, 22 St Cuthberts Way
Darlington
Co Durham
DL1 1GB

MOTHERDALE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2004

	Notes	2004 £	2003 £
Turnover		10,530	12,138
Administrative expenses		(14,972)	(12,987)
Operating loss	2	(4,442)	(849)
Loss on sale of property		-	(50,541)
Loss on ordinary activities before interest		(4,442)	(51,390)
Investment income	3	712,000	184,000
Other interest receivable and similar income	3	27,472	6,370
Profit on ordinary activities before taxation		735,030	138,980
Tax on profit on ordinary activities	4	(7,125)	(7,797)
Profit on ordinary activities after taxation		727,905	131,183
Dividends		(72,000)	(97,004)
Retained profit for the year	10	655,905	34,179

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.

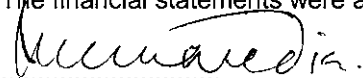
MOTHERDALE LIMITED

BALANCE SHEET AS AT 31 MARCH 2004

	Notes	2004		2003	
		£	£	£	£
Fixed assets					
Tangible assets	5		94,247		96,252
Investments	6		80		80
			<u>94,327</u>		<u>96,332</u>
Current assets					
Debtors	7	21		10,359	
Cash at bank and in hand		1,058,586		378,058	
		<u>1,058,607</u>		<u>388,417</u>	
Creditors: amounts falling due within one year	8	(17,611)		(5,330)	
Net current assets			<u>1,040,996</u>		<u>383,087</u>
Total assets less current liabilities			<u>1,135,323</u>		<u>479,419</u>
Capital and reserves					
Called up share capital	9		100		100
Profit and loss account	10		1,135,223		479,319
Shareholders' funds - equity interests	11		<u>1,135,323</u>		<u>479,419</u>

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

The financial statements were approved by the Board on 24/6/05



Dr M N Maredia
Director

MOTHERDALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

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

1.3 Tangible fixed assets and depreciation

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

Freehold buildings

Straight line over fifty years

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. The deferred tax balance has not been discounted.

2 Operating loss

	2004	2003
	£	£
Operating loss is stated after charging:		
Depreciation of tangible assets	2,005	2,005
Auditors' remuneration	1,230	1,200
and after crediting:		
Profit on disposal of tangible assets	-	(5,539)

The company sold a residential care home in August 2000. The sale agreement contained a clause to the effect that there would be a repayment of sale proceeds of £50,000 in the event that the business subsequently failed.

3 Investment income

	2004	2003
	£	£
Income from shares in group undertakings	712,000	184,000
Bank interest	26,736	6,370
Other interest	736	-
	<u>739,472</u>	<u>190,370</u>

MOTHERDALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2004

4	Taxation	2004 £	2003 £
	Domestic current year tax		
	U.K. corporation tax	7,081	2,810
	Adjustment for prior years	44	4,987
	Current tax charge	<u>7,125</u>	<u>7,797</u>

5	Tangible fixed assets	Freehold buildings £
	Cost	
	At 1 April 2003 & at 31 March 2004	<u>100,262</u>
	Depreciation	
	At 1 April 2003	4,010
	Charge for the year	2,005
	At 31 March 2004	<u>6,015</u>
	Net book value	
	At 31 March 2004	<u>94,247</u>
	At 31 March 2003	<u>96,252</u>

MOTHERDALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004

6 Fixed asset investments

	Shares in group undertakings and participating interests £
Cost	
At 1 April 2003 & at 31 March 2004	80

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 %
Subsidiary undertakings			
Ideal Care (North) Limited	UK	Ordinary	80

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 £	Profit for the year 2004 £
Ideal Care (North) Limited	202,144	216,987

7 Debtors

	2004 £	2003 £
Trade debtors	-	111
Other debtors	21	10,248
	21	10,359

MOTHERDALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2004

8	Creditors: amounts falling due within one year	2004	2003
		£	£
	Taxation and social security	7,081	2,810
	Other creditors	10,530	2,520
		<u>17,611</u>	<u>5,330</u>
9	Share capital	2004	2003
		£	£
	Authorised		
	100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
	Allotted, called up and fully paid		
	100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
10	Statement of movements on profit and loss account		Profit and loss account
			£
	Balance at 1 April 2003		479,318
	Retained profit for the year		<u>655,905</u>
	Balance at 31 March 2004		<u>1,135,223</u>
11	Reconciliation of movements in shareholders' funds	2004	2003
		£	£
	Profit for the financial year	727,905	131,183
	Dividends	<u>(72,000)</u>	<u>(97,004)</u>
	Net addition to shareholders' funds	655,905	34,179
	Opening shareholders' funds	<u>479,419</u>	<u>445,240</u>
	Closing shareholders' funds	<u>1,135,323</u>	<u>479,419</u>
12	Control		

The company was under the ultimate control of Dr M N Maredia, who owned 70% of the shares.