

REGISTERED NUMBER. 2196821 (England and Wales)

CASTLEOAK CARE PARTNERSHIPS LIMITED

REPORT OF THE DIRECTORS AND

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2007

SATURDAY



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COMPANIES HOUSE

Peachey's
Chartered Accountants & Registered Auditors
22 Chepstow Road
NEWPORT
Gwent
NP19 8EA

CASTLEOAK CARE PARTNERSHIPS LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2007**

	Page
Company Information	1
Chairman's Report	2
Report of the Directors	3 to 5
Report of the Independent Auditors	6
Profit and Loss Account	7
Balance Sheet	8
Notes to the Financial Statements	9 to 16

CASTLEOAK CARE PARTNERSHIPS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31ST MARCH 2007**

DIRECTORS:	Mr S D Greenstreet Mr C R Knight Mr M W Knight Mr E F March Mr P Stephens Mr C L Coakley Mr R J Hoad Mr B Swain Mr J Smith
SECRETARY:	Mr C L Coakley
REGISTERED OFFICE:	Raglan House Greenwood Close Cardiff Gate Business Park Cardiff South Glamorgan CF23 8RD
REGISTERED NUMBER:	2196821 (England and Wales)
AUDITORS:	Peacheys Chartered Accountants & Registered Auditors 22 Chepstow Road NEWPORT Gwent NP19 8EA
BANKERS:	HSBC Bank Plc 2 Frogmore Street Abergavenny Monmouthshire NP7 5AF
BANKERS:	Bank of Scotland 1 Kingsway Cardiff CF10 3YB

CASTLEOAK CARE PARTNERSHIPS LIMITED

CHAIRMAN'S REPORT FOR THE YEAR ENDED 31ST MARCH 2007

I am pleased to be able to report that the past twelve months have seen further growth and forward momentum for the company

Once again we have achieved record turnover (£38.7 million). Careful cost management has meant that this upswing has percolated through to net profits, despite a conscious decision to increase our overheads in order to properly resource our operations

Our strategy of broadening our portfolio of work has borne fruit and we have enjoyed a healthy project mix in terms of product - care homes, extra care apartments and care villages - in terms of contract size - from £3 million to £28 million - in terms of geography - from Hartlepool to Burgess Hill, and in terms of the balance between new and existing customers

This is not only pleasing but also provides a very clear direction for the years to come

"Cementing the Future" is a document produced during the year which sets out our strategy for the next five years. Despite its detail, the headlines can be summarised very crisply - a commitment to our specialist market, a balance of project size and geography, reliance on our traditional values of customer focus and care for staff, realistic revenue targets based on the firm foundations of what is already in, or soon to appear in, our pipeline, reinforcing our performance management systems to control our continued growth and ongoing investment in people and resources

The strategy plans an increase in turnover to £80m over the next 5 years, with an increased proportion of larger projects. Our current pipeline stands at £200m, with a spread of projects in feasibility, planning, detailed design and mobilisation, so this target is realistic

There are, of course, challenges. In particular, our ability to attract and retain first class staff will become increasingly important, particularly since the construction sector is buoyant and the skills shortage acute

We are, therefore, constantly striving to promote ourselves as an employer of choice and our efforts in this regard were helped by our inclusion again in the listing of The 2007 Sunday Times Top 100 Small Companies to Work For. Even more significant was the achievement of three star status, the highest accolade under the critically acclaimed Best Companies Accreditation scheme, which put us in an exclusive group of just 42 companies - large and small - nationwide

The steady growth in staff numbers has inevitably put pressure on our existing office accommodation and so the group has committed to the purchase of a new 24,000 square foot headquarters at Cardiff Business Park. Construction work is well underway and we will take occupation by the end of 2007. As well as superior facilities for staff, the new building will also help to reinforce the company's reputation as a serious player in our market place

The emergence of a sister company for CastleOak Care Partnerships (CCP) - CastleOak Care Developments (CCD) - was another important step forward this year. This new company will be able to build on many of the essential skills already existing within CCP and also to offer existing and potential customers additional services in the shape of fully developed care homes ready for lease. This new venture looks set to contribute a positive line of profit and balance sheet growth to the group and also to become an important customer for CCP. Its first development site, at Carterton in Oxfordshire, was acquired during the year and planning secured. CCP is set to go on site early in the next financial year to build the 68 bed care home

Finally, in looking back on a very encouraging performance this year, I would like to pay tribute to all my colleagues whose commitment and dedication continues to underpin our success. My thanks go to them all



Melville Knight MA (Cantab)
Executive Chairman

CASTLEOAK CARE PARTNERSHIPS LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST MARCH 2007

The directors present their report with the financial statements of the company for the year ended 31st March 2007

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of building contractors

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements

Principal risks and uncertainties

The company is reliant on the social care market and therefore any changes to the level of activity is likely to affect results. At the present time this market is very strong in the United Kingdom, and the directors believe that the market will remain this way in the foreseeable future.

Fair review of the business

The company has had another very successful year and has been able to significantly increase the level of business it had achieved in 2006.

The directors believe the company will be able to sustain the level of turnover and gross profit margin in 2008.

For additional information refer to the Chairman's report.

DIVIDENDS

The total distribution of dividends for the year ended 31st March 2007 will be £500,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st April 2006 to the date of this report.

Mr S D Greenstreet
Mr C R Knight
Mr M W Knight
Mr E F March
Mr P Stephens
Mr C L Coakley
Mr B Swain
Mr J Smith

Other changes in directors holding office are as follows:

Mr R J Hoad - appointed 1st April 2006

The directors held the following proportion of shares in the parent company Castleoak Holdings Limited:

Mr S D Greenstreet	15%
Mr C R Knight	34%
Mr M W Knight	34%
Mr E F March	5%
Mr P Stephens	0%
Mr C Coakley	0%
Mr B Swain	0%
Mr J Smith	0%

CASTLEOAK CARE PARTNERSHIPS LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST MARCH 2007

FINANCIAL INSTRUMENTS

The companies principal financial instruments comprise bank balances, trade creditors, trade debtors, loans to the company and finance lease agreements. The main purpose of these instruments is to raise funds for the company's operations and to finance the company's operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a high cash balance on account.

In respect of loans these comprise loans from the bank. The company manages the liquidity risk by ensuring there are sufficient funds to meet the payments.

The company is a lessee in respect of finance leased assets. The liquidity risk in respect of these is managed in the same way as loans above.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year, the company made charitable donations totalling £25,637.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

CASTLEOAK CARE PARTNERSHIPS LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST MARCH 2007**

AUDITORS

The auditors, Peachey's, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985

ON BEHALF OF THE BOARD:



Mr M W Knight - Director

Date 19th JUNE 2007

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
CASTLEOAK CARE PARTNERSHIPS LIMITED**

We have audited the financial statements of CastleOak Care Partnerships Limited for the year ended 31st March 2007 on pages seven to sixteen. These financial statements have been prepared under 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 auditors' 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 directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out on page four.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, 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 other transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Report of the Directors and the Chairman's Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

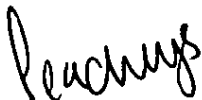
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st March 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Report of the Directors is consistent with the financial statements.



Peachey
Chartered Accountants & Registered Auditors
22 Chepstow Road
NEWPORT
Gwent
NP19 8EA

Date 20 June 2007

CASTLEOAK CARE PARTNERSHIPS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2007**

	Notes	2007		2006	
		£	£	£	£
TURNOVER	2		38,764,176		30,833,688
Cost of sales			<u>32,821,752</u>		<u>26,154,294</u>
GROSS PROFIT			5,942,424		4,679,394
Administrative expenses			<u>4,661,762</u>		<u>3,932,694</u>
			1,280,662		746,700
Other operating income	3		<u>-</u>		<u>34,707</u>
OPERATING PROFIT	5		1,280,662		781,407
Income from fixed asset investments		131		124	
Interest receivable and similar income		<u>78,369</u>		<u>64,473</u>	
			78,500		64,597
			1,359,162		846,004
Interest payable and similar charges	6		<u>27,723</u>		<u>22,993</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			1,331,439		823,011
Tax on profit on ordinary activities	7		<u>414,190</u>		<u>259,788</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			<u><u>917,249</u></u>		<u><u>563,223</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these financial statements

CASTLEOAK CARE PARTNERSHIPS LIMITED

**BALANCE SHEET
31ST MARCH 2007**

	Notes	2007 £	2006 £
FIXED ASSETS			
Tangible assets	9	1,569,136	1,359,715
Investments	10	<u>1,998</u>	<u>1,998</u>
		1,571,134	1,361,713
CURRENT ASSETS			
Debtors	11	7,710,674	4,718,950
Investments	12	150,000	150,000
Cash at bank and in hand		<u>1,174,828</u>	<u>2,205,272</u>
		9,035,502	7,074,222
CREDITORS			
Amounts falling due within one year	13	<u>7,861,001</u>	<u>6,354,011</u>
NET CURRENT ASSETS		<u>1,174,501</u>	<u>720,211</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,745,635	2,081,924
CREDITORS			
Amounts falling due after more than one year	14	(823,777)	(576,110)
PROVISIONS FOR LIABILITIES	18	<u>(45,936)</u>	<u>(47,141)</u>
NET ASSETS		<u><u>1,875,922</u></u>	<u><u>1,458,673</u></u>
CAPITAL AND RESERVES			
Called up share capital	19	150,050	150,050
Revaluation reserve	20	1,998	1,998
Profit and loss account	20	<u>1,723,874</u>	<u>1,306,625</u>
SHAREHOLDERS' FUNDS	25	<u><u>1,875,922</u></u>	<u><u>1,458,673</u></u>

The financial statements were approved by the Board of Directors on 19th JUNE 2007 and were signed on its behalf by



Mr M W Knight - Director

The notes form part of these financial statements

CASTLEOAK CARE PARTNERSHIPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2007

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

Turnover is recognised as earned when, and to the extent that, the company obtains the right to consideration in exchange for services provided. For incomplete contracts, an assessment is made to the extent to which the revenue has been earned. This assessment takes into account the nature of the assignment, its stage of completion and the relevant contract terms. Unbilled revenue is included in amounts recoverable on contracts.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Long leasehold	- over the remaining term of the lease
Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 30% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

Investment income

Investment income comprises dividends and interest and is accounted for on a receivable basis.

Investments

Investments are included at market value. Any gains or losses arising from valuations of fixed asset investments are transferred to the revaluation reserve.

Consolidation

The financial statements contain information about CastleOak Care Partnerships Ltd as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken advantage of the exemption in that its results are included in the consolidated financial statements prepared for its parent company, CastleOak Holdings Ltd.

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

CASTLEOAK CARE PARTNERSHIPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2007**

3 OTHER OPERATING INCOME

	2007	2006
	£	£
Rents received	-	13,461
Profit on sale of fixed asset investments	-	21,246
	<u>-</u>	<u>34,707</u>

4 STAFF COSTS

	2007	2006
	£	£
Wages and salaries	3,357,168	2,462,874
Social security costs	324,289	258,913
Other pension costs	82,465	66,399
	<u>3,763,922</u>	<u>2,788,186</u>

The average monthly number of employees during the year was as follows

	2007	2006
Production staff	60	43
Administration staff	8	7
Management staff	12	11
	<u>80</u>	<u>61</u>

5 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2007	2006
	£	£
Hire of plant and machinery	767,782	1,107,662
Other operating leases	-	3,878
Depreciation - owned assets	84,761	57,370
Depreciation - assets on hire purchase contracts	141,422	95,945
Profit on disposal of fixed assets	-	(21,246)
Auditors' remuneration	5,000	4,000
	<u>601,537</u>	<u>403,060</u>
Directors' emoluments	36,141	30,764
Directors' pension contributions to money purchase schemes	<u>36,141</u>	<u>30,764</u>

The number of directors to whom retirement benefits were accruing was as follows

	7	7
Money purchase schemes	<u>7</u>	<u>7</u>

Information regarding the highest paid director is as follows

	2007	2006
	£	£
Emoluments etc	<u>109,355</u>	<u>97,299</u>

CASTLEOAK CARE PARTNERSHIPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2007**

6 INTEREST PAYABLE AND SIMILAR CHARGES

	2007	2006
	£	£
Bank loan interest	5,377	11,316
Hire purchase	22,346	11,677
	<u>27,723</u>	<u>22,993</u>

7 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2007	2006
	£	£
Current tax		
UK corporation tax	414,943	242,065
Tax under provision	452	5,253
Total current tax	415,395	247,318
Deferred tax	(1,205)	12,470
Tax on profit on ordinary activities	<u>414,190</u>	<u>259,788</u>

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	2007	2006
	£	£
Profit on ordinary activities before tax	<u>1,331,439</u>	<u>823,011</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2006 - 30%)	399,432	246,903
Effects of		
Increase in tax liability due to disallowable expenditure	16,236	49,661
Decrease in tax liability due to capital allowances	(725)	(59,535)
Chargeable gains	-	5,036
Tax under provision	452	5,253
Current tax charge	<u>415,395</u>	<u>247,318</u>

8 DIVIDENDS

	2007	2006
	£	£
Final	<u>500,000</u>	<u>260,000</u>

CASTLEOAK CARE PARTNERSHIPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2007**

9 TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1st April 2006	912,909	187,586	693,806	166,934	1,961,235
Additions	-	82,196	143,099	210,309	435,604
At 31st March 2007	912,909	269,782	836,905	377,243	2,396,839
DEPRECIATION					
At 1st April 2006	1,828	132,930	356,457	110,305	601,520
Charge for year	914	48,063	133,479	43,727	226,183
At 31st March 2007	2,742	180,993	489,936	154,032	827,703
NET BOOK VALUE					
At 31st March 2007	910,167	88,789	346,969	223,211	1,569,136
At 31st March 2006	911,081	54,656	337,349	56,629	1,359,715

Fixed assets, included in the above, which are held under hire purchase contracts are as follows

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1st April 2006	109,582	236,838	99,189	445,609
Additions	82,196	85,516	197,026	364,738
Transfer to ownership	(38,439)	(10,050)	(15,347)	(63,836)
At 31st March 2007	153,339	312,304	280,868	746,511
DEPRECIATION				
At 1st April 2006	64,142	62,595	43,827	170,564
Charge for year	31,624	71,658	38,140	141,422
Transfer to ownership	(25,626)	(5,867)	(11,390)	(42,883)
At 31st March 2007	70,140	128,386	70,577	269,103
NET BOOK VALUE				
At 31st March 2007	83,199	183,918	210,291	477,408
At 31st March 2006	45,440	174,243	55,362	275,045

CASTLEOAK CARE PARTNERSHIPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2007**

10 FIXED ASSET INVESTMENTS

	Listed investments £
COST	
At 1st April 2006 and 31st March 2007	<u>1,998</u>
NET BOOK VALUE	
At 31st March 2007	<u>1,998</u>
At 31st March 2006	<u>1,998</u>

Included in the above investment, is a value of £1,998 in respect of listed investments, the market value of them as at 31 March 2007 being £2,835

11 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	2006 £
Trade debtors	5,768,639	3,146,906
Amounts owed by group undertakings	518,921	155,000
Amounts recoverable on contract	127,576	1,005,808
Other debtors	66,793	64,187
Directors' current accounts	150,860	167,660
VAT	876,991	-
Prepayments and accrued income	200,894	179,389
	<u>7,710,674</u>	<u>4,718,950</u>

Included within trade debtors is a balance of £740,375, which is an amount falling due after more than one year

12 CURRENT ASSET INVESTMENTS

	2007 £	2006 £
Other investments	<u>150,000</u>	<u>150,000</u>

The above investment represents shares held in an investment fund, the market value at the year end being £177,608

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	2006 £
Bank loans and overdrafts (see note 15)	32,798	113,413
Hire purchase contracts (see note 16)	251,301	164,975
Trade creditors	3,812,583	2,728,309
Tax	425,901	252,571
Social security and other taxes	224,551	144,672
VAT	-	259,486
Other creditors	29,960	41,440
Accruals and deferred income	3,083,907	2,649,145
	<u>7,861,001</u>	<u>6,354,011</u>

CASTLEOAK CARE PARTNERSHIPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2007**

14 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2007	2006
	£	£
Bank loans (see note 15)	-	23,509
Hire purchase contracts (see note 16)	282,113	206,546
Trade creditors	541,664	346,055
	<u>823,777</u>	<u>576,110</u>

The bank loan was taken out in 2003 for a period of 15 years, to fund the purchase of the long leasehold property at a variable rate of 1.5% over base. The bank has a first mortgage dated over the leasehold property.

15 LOANS

An analysis of the maturity of loans is given below

	2007	2006
	£	£
Amounts falling due within one year or on demand		
Bank loans	<u>32,798</u>	<u>113,413</u>
Amounts falling due between two and five years		
Bank loans - 2-5 years	<u>-</u>	<u>23,509</u>

16 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	2007	2006
	£	£
Net obligations repayable		
Within one year	251,301	164,975
Between one and five years	282,113	206,546
	<u>533,414</u>	<u>371,521</u>

The following operating lease payments are committed to be paid within one year

	Land and buildings		Other operating leases	
	2007	2006	2007	2006
	£	£	£	£
Expiring				
Within one year	86,652	54,067	-	-
Between one and five years	-	-	147,384	145,932
	<u>86,652</u>	<u>54,067</u>	<u>147,384</u>	<u>145,932</u>

CASTLEOAK CARE PARTNERSHIPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2007**

17 SECURED DEBTS

The following secured debts are included within creditors

	2007 £	2006 £
Bank loans	<u>32,798</u>	<u>136,922</u>

18 PROVISIONS FOR LIABILITIES

	2007 £	2006 £
Deferred tax	<u>45,936</u>	<u>47,141</u>

	Deferred tax £
Balance at 1st April 2006	47,141
Charge for the year	<u>(1,205)</u>
Balance at 31st March 2007	<u>45,936</u>

19 CALLED UP SHARE CAPITAL

Authorised Number	Class	Nominal value £1	2007 £	2006 £
151,000	Ordinary		<u>151,000</u>	<u>151,000</u>

Allotted and issued Number	Class	Nominal value £1	2007 £	2006 £
150,050	Share capital 1		<u>150,050</u>	<u>150,050</u>

20 RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1st April 2006	1,306,625	1,998	1,308,623
Profit for the year	917,249		917,249
Dividends	<u>(500,000)</u>		<u>(500,000)</u>
At 31st March 2007	<u>1,723,874</u>	<u>1,998</u>	<u>1,725,872</u>

21 PENSION COMMITMENTS

The total contributions paid in the period amounted to £82,465 (2006 £66,399)

CASTLEOAK CARE PARTNERSHIPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST MARCH 2007

22 TRANSACTIONS WITH DIRECTORS

The following loans to directors subsisted during the years ended 31st March 2007 and 31st March 2006

	2007 £	2006 £
Mr M W Knight		
Balance outstanding at start of year	51,812	51,812
Balance outstanding at end of year	47,812	51,812
Maximum balance outstanding during year	<u>51,812</u>	<u>51,812</u>
Mr C R Knight		
Balance outstanding at start of year	61,157	61,157
Balance outstanding at end of year	57,157	61,157
Maximum balance outstanding during year	<u>61,157</u>	<u>61,157</u>
Mr S D Greenstreet		
Balance outstanding at start of year	24,691	24,691
Balance outstanding at end of year	22,691	24,691
Maximum balance outstanding during year	<u>24,691</u>	<u>24,691</u>
Mr C L Coakley		
Balance outstanding at start of year	30,000	-
Balance outstanding at end of year	23,200	30,000
Maximum balance outstanding during year	<u>30,000</u>	<u>30,000</u>

The directors each operate a current loan account with the company, which is debited with payments made by the company on behalf of the directors and credited with capital introduced and undrawn director's fees. The following is the total amount outstanding from the directors £150,860 (2006 £167,660) and is included in debtors amounts falling due within one year.

23 RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption to disclose related party transactions with other group entities under FRS8.

24 ULTIMATE CONTROLLING PARTY

The ultimate holding company is Castleoak Holdings Ltd, which is incorporated in England and Wales. Copies of its group accounts, which include the company, are available from Raglan House, Greenwood Close, Cardiff Gate Business Park, South Wales or from Companies House. There is no ultimate controlling party in Castleoak Holdings Limited.

25 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007 £	2006 £
Profit for the financial year	917,249	563,223
Dividends	(500,000)	(260,000)
Net addition to shareholders' funds	<u>417,249</u>	<u>303,223</u>
Opening shareholders' funds	1,458,673	1,155,450
Closing shareholders' funds	<u>1,875,922</u>	<u>1,458,673</u>