

**FINCHWORTH LIMITED
T/A DINSDALE LODGE NURSING HOME
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1998
REGISTERED NO. 2274708**



**WALKER TINDLE
17 - 25 SCARBOROUGH STREET
HARTLEPOOL
TS24 7DA**

**AUDITORS' REPORT TO FINCHWORTH LIMITED T/A DINSDALE LODGE
NURSING HOME 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 Finchworth Limited T/A Dinsdale Lodge Nursing Home prepared under Section 226 of the Companies Act 1985 for the year ended 31 December 1998.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 to 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 are properly prepared in accordance with those provisions and report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts in accordance with sections 246(5) and (6), and the abbreviated accounts on pages 2 to 5 have been properly prepared in accordance with those provisions.

.....*Walker Tindle*.....

Walker Tindle
Chartered Accountants and
Registered Auditors
17 - 25 Scarborough Street
Hartlepool
TS24 7DA

Date:*25 May 1999*.....

FINCHWORTH LIMITED
T/A DINSDALE LODGE NURSING HOME

ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 1998

	Note	1998 £	1997 £
Fixed assets	2		
Tangible assets		610293	617200
Current assets			
Stocks		450	450
Debtors		19267	17033
Cash at bank and in hand		3503	9853
		<u>23220</u>	<u>27336</u>
Creditors	3		
Amounts falling due within one year		<u>(63176)</u>	<u>(73361)</u>
Net current liabilities		(39956)	(46025)
Total assets less current liabilities		<u>570337</u>	<u>571175</u>
Creditors	3		
Amounts falling due after more than one year		(358097)	(387821)
Provision for liabilities and charges		(2277)	(2394)
Net assets		<u>209963</u>	<u>180960</u>
Capital and reserves			
Called up share capital	4	100100	100100
Preference shareholders' reserve		47669	39169
Profit and loss account		62194	41691
Shareholders' funds (including non-equity interests)		<u>209963</u>	<u>180960</u>

The directors have taken advantage, in the preparation of the abbreviated accounts, of the special provisions of Part VII of the Companies Act 1985 applicable to small companies.

The accounts were approved by the board of directors on ... 23 May 1999 ... and are signed on its behalf by:

.....
A Bamford
Director

The annexed notes form part of these abbreviated accounts.

**FINCHWORTH LIMITED
T/A DINSDALE LODGE NURSING HOME**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1998**

1. Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same financial statements.

Basis of preparation of financial statements

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

The effect of events in relation to the year ended 31 December 1998 which occurred before the date of approval of the financial statements by the Board of Directors, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 31 December 1998 and of the results for the year ended on that date.

Depreciation

Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates:

Freehold buildings	- 1% per annum on cost
Fixtures and fittings	- 15% per annum on reducing balance

Stocks

Stocks have been valued at the lower of cost and net realisable value.

Taxation

The charge for taxation is based on the result for the accounting period as adjusted for disallowable items, and for timing differences arising from the recognition for tax purposes of certain items of income and expenditure in a different accounting period from that which they are recognised in the financial statements.

Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Capital instruments

Shareholders' funds comprise amounts attributable to equity interests and amounts attributable to non-equity interests.

Finance costs attributable to non-equity interests represent arrears of cumulative preference share dividends for the financial year to which the cumulative preference shareholders would be entitled should their shares be redeemed by the company, and are transferred to the preference shareholders' reserve.

FINCHWORTH LIMITED
T/A DINSDALE LODGE NURSING HOME

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1998 (CONT)

2. Fixed assets

	Tangible fixed assets £
Cost	
At 1 January 1998	686680
Additions	2703
Disposals	-
At 31 December 1998	<u>689383</u>
Depreciation	
At 1 January 1998	69480
Charge for the year	9610
Disposals	-
At 31 December 1998	<u>79090</u>
Net book value	
At 31 December 1998	<u><u>610293</u></u>
At 31 December 1997	<u><u>617200</u></u>

3. Creditors

Included in creditors are the following:

Amounts repayable by instalments some of which fall due after five years:

	1998 £	1997 £
Repayable within five years	191702	185490
Repayable after five years	92084	128560
	<u>283786</u>	<u>314050</u>

At 31 December 1998, liabilities amounting to £283786 (1997: £314050) were secured by company assets.

**FINCHWORTH LIMITED
T/A DINSDALE LODGE NURSING HOME**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1998 (CONT)**

4. Share capital

	1998 £	1997 £
Authorised		
50000 ordinary shares of £1 each	50000	50000
150000 cumulative redeemable preference shares of £1 each	150000	150000
	<u>200000</u>	<u>200000</u>
 Allotted, called up and fully paid		
100 ordinary shares of £1 each	100	100
100000 cumulative redeemable preference shares of £1 each	100000	100000
	<u>100100</u>	<u>100100</u>

The company has an option to redeem the 8.5% cumulative redeemable preference shares and the earliest date of redemption was 25 May 1996. The amount payable on redemption is £1 per share plus a sum equal to any arrears or deficiency of the fixed cumulative dividend. Holders of these shares have no voting rights.

As at 31 December 1998, the arrears of fixed cumulative dividend amounted to £47669 (1997: £39169). No dividend has been declared due to the level of profitability and the dividend arrears have been appropriated from the profit and loss account and transferred to the preference shareholders' reserve.