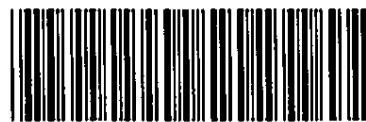

SERVICECARE SUPPORT SERVICES LIMITED

ABBREVIATED ACCOUNTS

for the year ended 31 March 2007

WEDNESDAY



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COMPANIES HOUSE

SERVICECARE SUPPORT SERVICES LIMITED

COMPANY INFORMATION

DIRECTORS

JM Day
D Aspin
G Furness

COMPANY NUMBER

3024924

REGISTERED OFFICE

Hollinwood Works
Manchester Road
Hollinwood
Oldham
Lancashire
OL9 7AA

SERVICECARE SUPPORT SERVICES LIMITED

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Profit and loss account	4
Balance sheet	5
Cash flow statement	6
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SERVICECARE SUPPORT SERVICES LIMITED

DIRECTORS' REPORT for the year ended 31 March 2007

The directors present their report and the financial statements for the year ended 31 March 2007

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 judgments 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

PRINCIPAL ACTIVITIES

The company's principal activity continues to be that of the repair and support of computer peripheral equipment and also, the repair and service of electrical equipment.

BUSINESS REVIEW

This year proved to be difficult one for Servicecare, making a loss of £263,412 before tax compared to a profit of £522k before tax in 2005-2006 on a turnover of £6.4m compared to £7.3m in 2005-2006. These results were driven by an extremely poor first quarter consequent to a significant downturn of product input in one major client. In the knowledge of these changes, Servicecare initiated a cost reduction programme throughout the year.

The board are confident having weathered this difficult trading year and instigated the changes required that we are in a good position to return to strong profitable trading from our existing turnovers and benefit from new business.

RESULTS

The loss for the year, after taxation, amounted to £211,384 (2006 - profit £394,312)

DIRECTORS

The directors who served during the year and their interests in the company's issued share capital were

	A Ordinary shares of £1 each		C Ordinary shares of £1 each		E Ordinary shares of £1 each	
	31/3/07	1/4/06	31/3/07	1/4/06	31/3/07	1/4/06
JM Day	7,076	7,076	-	-	-	-
D Aspin	-	-	-	-	1,312	1,312
G Furness	-	-	4,100	4,100	-	-

SERVICECARE SUPPORT SERVICES LIMITED

DIRECTORS' REPORT for the year ended 31 March 2007

ACQUISITION OF OWN SHARES

During the year the company re-purchased 1,412 £1 ordinary D shares for £140,000, these shares were subsequently cancelled. The purchase of the shares was due to the resignation of a company director. The director resigned on 7/03/2005 and the shares were subsequently re-purchased by the company 5/06/2006. The maximum number of issued ordinary D shares during the financial year was 1,412.

PROVISION OF INFORMATION TO AUDITORS

So far as each of the directors is aware at the time the report is approved

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Kay Johnson Gee, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

SUBSIDIARY

The company has a wholly owned subsidiary Electrotec International Limited. A company incorporated in England and Wales. The principal activity of the company remained that of a reseller of refurbished electrical equipment.

This report was approved by the board on 14 November 2007 and signed on its behalf

JM Day
Director



SERVICECARE SUPPORT SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO SERVICECARE SUPPORT SERVICES LIMITED **Under section 247B of the Companies Act 1985**

We have examined the abbreviated accounts of Servicecare Support Services Limited for the year ended 31 March 2007 set out on pages 4 to 18, together with the financial statements of the company for the year ended 31 March 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 it in a special 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, for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

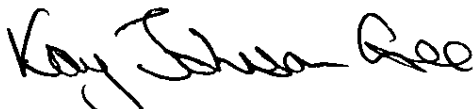
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2006/3 'The special Auditors' 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 section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 18 have been properly prepared in accordance with that provision.



KAY JOHNSON GEE

Chartered Accountants
Registered Auditors

Griffin Court
201 Chapel Street
Salford
Manchester
M3 5EQ

15 November 2007

SERVICECARE SUPPORT SERVICES LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2007

	Note	2007 £	2006 £
GROSS PROFIT		1,736,633	2,199,826
Selling and distribution costs		(249)	(215)
Administrative expenses		(1,980,566)	(1,671,058)
OPERATING (LOSS)/PROFIT	2	(244,182)	528,553
Amounts written off investments		(999)	-
Interest receivable		-	4,313
Interest payable	5	(18,231)	(10,841)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(263,412)	522,025
Tax on (loss)/profit on ordinary activities	6	52,028	(127,713)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	16	(211,384)	394,312

All amounts relate to continuing operations

There were no recognised gains and losses for 2007 or 2006 other than those included in the Profit and loss account

The notes on pages 7 to 18 form part of these financial statements

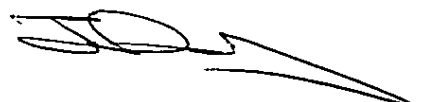
SERVICECARE SUPPORT SERVICES LIMITED

ABBREVIATED BALANCE SHEET
as at 31 March 2007

	Note	£	2007 £	£	2006 £
FIXED ASSETS					
Intangible fixed assets	7		613,590		663,341
Tangible fixed assets	8		343,919		401,467
Fixed asset investments	9		1		1,000
			<u>957,510</u>		<u>1,065,808</u>
CURRENT ASSETS					
Stocks	10	126,116		108,254	
Debtors	11	1,737,832		1,716,511	
Cash at bank and in hand		1,730		110,039	
		<u>1,865,678</u>		<u>1,934,804</u>	
CREDITORS: amounts falling due within one year	12	(1,882,280)		(1,396,840)	
NET CURRENT (LIABILITIES)/ASSETS			<u>(16,602)</u>		<u>537,964</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>940,908</u>		<u>1,603,772</u>
CREDITORS: amounts falling due after more than one year	13		(54,580)		(88,792)
PROVISIONS FOR LIABILITIES					
Deferred tax	14		(18,446)		(13,714)
NET ASSETS			<u>867,882</u>		<u>1,501,266</u>
CAPITAL AND RESERVES					
Called up share capital	15		12,688		14,100
Share premium account	16		704,757		704,757
Capital redemption reserve	16		2,555		1,143
Profit and loss account	16		147,882		781,266
SHAREHOLDERS' FUNDS	17		<u>867,882</u>		<u>1,501,266</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf on 14 November 2007

JM Day
Director



The notes on pages 7 to 18 form part of these financial statements

SERVICECARE SUPPORT SERVICES LIMITED

ABBREVIATED CASH FLOW STATEMENT
for the year ended 31 March 2007

	Note	2007 £	2006 £
Net cash flow from operating activities	19	(25,935)	635,114
Returns on investments and servicing of finance	20	(18,231)	(6,527)
Taxation		(90,692)	(113,777)
Capital expenditure and financial investment	20	(52,290)	(55,807)
Equity dividends paid		(282,000)	(300,000)
CASH (OUTFLOW)/INFLOW BEFORE FINANCING		(469,148)	159,003
Financing	20	(177,468)	(44,165)
(DECREASE)/INCREASE IN CASH IN THE YEAR		(646,616)	114,838

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
for the year ended 31 March 2007

	2007 £	2006 £
(Decrease)/Increase in cash in the year	(646,616)	114,838
Cash outflow from decrease in debt and lease financing	37,468	44,165
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	(609,148)	159,003
New finance lease	-	(28,977)
Other non-cash changes	-	(2)
MOVEMENT IN NET DEBT IN THE YEAR	(609,148)	130,024
Net funds/(debt) at 1 April 2006	30,080	(99,944)
NET (DEBT)/FUNDS AT 31 MARCH 2007	(579,068)	30,080

The notes on pages 7 to 18 form part of these financial statements

SERVICECARE SUPPORT SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS for the year ended 31 March 2007

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

1.3 INVESTMENTS

Investments in subsidiaries are valued at cost less provision for impairment.

1.4 INTANGIBLE FIXED ASSETS AND AMORTISATION

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

Amortisation is provided at the following rates:

Goodwill	-	%	20 years straight line
----------	---	---	------------------------

1.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

L/Term Leasehold Property	-	10%	straight line
Motor vehicles	-	25%	straight line
Fixtures & fittings	-	20%	straight line

1.6 LEASING AND HIRE PURCHASE

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

SERVICECARE SUPPORT SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS for the year ended 31 March 2007

1. ACCOUNTING POLICIES (continued)

1.7 OPERATING LEASES

Rentals under operating leases are charged on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1.8 STOCKS AND WORK IN PROGRESS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads

1.9 DEFERRED TAXATION

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are discounted

1.10 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the profit and loss account

1.11 PENSIONS

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

SERVICECARE SUPPORT SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS for the year ended 31 March 2007

2 OPERATING (LOSS)/PROFIT

The operating (loss)/profit is stated after charging

	2007 £	2006 £
Amortisation - intangible fixed assets	49,751	49,751
Depreciation of tangible fixed assets		
- owned by the company	88,288	82,116
- held under finance leases	21,550	23,352
Auditors' remuneration	12,900	9,597
Operating lease rentals		
- other operating leases	328,249	301,978
Difference on foreign exchange	21	370
Grant amortisation	(6,000)	(5,400)
	<u> </u>	<u> </u>

3. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2007 £	2006 £
Wages and salaries	2,857,960	2,939,066
Social security costs	246,829	252,976
Other pension costs	54,213	53,923
	<u> </u>	<u> </u>
	3,159,002	3,245,965
	<u> </u>	<u> </u>

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

	2007 No	2006 No
Production	152	163
Administration	45	35
	<u> </u>	<u> </u>
	197	198
	<u> </u>	<u> </u>

SERVICECARE SUPPORT SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 31 March 2007

4. DIRECTORS' REMUNERATION

	2007 £	2006 £
Emoluments	<u>296,851</u>	<u>312,350</u>
Company pension contributions to money purchase pension schemes	<u>11,783</u>	<u>10,375</u>

During the year retirement benefits were accruing to 3 directors (2006 - 3) in respect of money purchase pension schemes

The highest paid director received remuneration of £137,760 (2006 - £137,743)

5 INTEREST PAYABLE

	2007 £	2006 £
On bank loans and overdrafts	10,885	3,197
On other loans	1,308	45
On finance leases and hire purchase contracts	6,038	7,599
	<u>18,231</u>	<u>10,841</u>

6 TAXATION

	2007 £	2006 £
ANALYSIS OF TAX (CREDIT)/CHARGE IN THE YEAR		
CURRENT TAX (see note below)		
UK corporation tax charge on (loss)/profit for the year	-	124,995
Adjustments in respect of prior periods	(56,760)	-
TOTAL CURRENT TAX	<u>(56,760)</u>	<u>124,995</u>
DEFERRED TAX (see note 14)		
Origination and reversal of timing differences	4,732	2,718
TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES	<u>(52,028)</u>	<u>127,713</u>

SERVICECARE SUPPORT SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 31 March 2007

6. TAXATION (continued)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2006 - lower than) the standard rate of corporation tax in the UK (30%). The differences are explained below

	2007 £	2006 £
(Loss)/profit on ordinary activities before tax	<u>(263,412)</u>	<u>522,025</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2006 - 30%)	(79,024)	156,608
EFFECTS OF.		
Expenses not deductible for tax purposes	15,951	15,541
Capital allowances for year in excess of depreciation	10,778	4,244
Pension accrual	-	(39,000)
Adjustments to tax charge in respect of prior periods	(56,760)	-
Marginal relief	-	(8,397)
Group relief	-	(4,001)
Losses carried back	52,295	-
CURRENT TAX (CREDIT)/CHARGE FOR THE YEAR (see note above)	<u>(56,760)</u>	<u>124,995</u>

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges

7. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 April 2006 and 31 March 2007	<u>995,013</u>
AMORTISATION	
At 1 April 2006	331,672
Charge for the year	<u>49,751</u>
At 31 March 2007	<u>381,423</u>
NET BOOK VALUE	
At 31 March 2007	<u>613,590</u>
At 31 March 2006	<u>663,341</u>

SERVICECARE SUPPORT SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 31 March 2007

8. TANGIBLE FIXED ASSETS

	Land and buildings £	Motor vehicles £	Furniture, fittings and equipment £	Total £
COST				
At 1 April 2006	277,012	15,350	533,326	825,688
Additions	-	-	52,290	52,290
At 31 March 2007	277,012	15,350	585,616	877,978
DEPRECIATION				
At 1 April 2006	101,650	15,350	307,221	424,221
Charge for the year	25,987	-	83,851	109,838
At 31 March 2007	127,637	15,350	391,072	534,059
NET BOOK VALUE				
At 31 March 2007	149,375	-	194,544	343,919
At 31 March 2006	175,362	-	226,105	401,467

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

	2007 £	2006 £
Furniture, fittings and equipment	49,841	71,390

9. FIXED ASSET INVESTMENTS

	Shares in group under- takings £
COST OR VALUATION	
At 1 April 2006	1,000
Amounts written off	(999)
At 31 March 2007	1

SERVICECARE SUPPORT SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 31 March 2007

9. FIXED ASSET INVESTMENTS (continued)

SUBSIDIARY UNDERTAKING

The following was a subsidiary undertaking of the company

Electrotec International Limited 100%

The aggregate of the share capital and reserves as at 31 March 2007 and of the profit or loss for the year ended on that date for the subsidiary undertaking was as follows

	Aggregate of share capital and reserves	Profit/(loss)
	£	£
Electrotec International Limited	(146,012)	(140,036)

10. STOCKS

	2007	2006
	£	£
Raw materials	94,480	84,525
Work in progress	31,636	23,729
	126,116	108,254

The difference between purchase price or production cost of stocks and their replacement cost is not material

11. DEBTORS

	2007	2006
	£	£
Trade debtors	1,556,336	1,595,491
Other debtors	152,016	105,712
Prepayments and accrued income	29,480	15,308
	1,737,832	1,716,511

SERVICECARE SUPPORT SERVICES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 31 March 2007**

**12. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2007 £	2006 £
Bank loans and overdrafts	538,307	-
Net obligations under finance leases and hire purchase contracts	27,612	37,467
Trade creditors	690,536	600,994
Amounts owed to group undertakings	99,604	68,707
Corporation tax	-	125,115
Social security and other taxes	194,544	273,853
Other creditors	225,865	197,026
Accruals and deferred income	105,812	93,678
	<u>1,882,280</u>	<u>1,396,840</u>

The bank overdraft is secured by a fixed and floating charge over the company's assets dated 12 May 1995 and a debenture dated 3 August 1999

Included within bank loans and overdrafts are amounts due to HSBC Invoice Finance (UK) Ltd of £505,674 (2006 - £nil) which are secured on the company's trade debtors

The hire purchase contracts are secured on the assets concerned

**13. CREDITORS
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2007 £	2006 £
Net obligations under finance leases and hire purchase contracts	14,880	42,492
Other creditors	39,700	46,300
	<u>54,580</u>	<u>88,792</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	2007 £	2006 £
Between one and five years	<u>14,880</u>	<u>42,492</u>

SERVICECARE SUPPORT SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS for the year ended 31 March 2007

14 DEFERRED TAXATION

	2007 £	2006 £
At 1 April 2006	13,714	10,996
Charge for the year	4,732	2,718
At 31 March 2007	<u>18,446</u>	<u>13,714</u>

The provision for deferred taxation is made up as follows

	2007 £	2006 £
Accelerated capital allowances	<u>18,446</u>	<u>13,714</u>

15. SHARE CAPITAL

	2007 £	2006 £
AUTHORISED		
7,076 A Ordinary shares of £1 each	7,076	7,076
1,143 B Ordinary shares of £1 each	1,143	1,143
4,100 C Ordinary shares of £1 each	4,100	4,100
1,412 D Ordinary shares of £1 each	1,412	1,412
1,312 E Ordinary shares of £1 each	1,312	1,312
200 Redeemable shares of £1 each	200	200
	<u>15,243</u>	<u>15,243</u>

ALLOTTED, CALLED UP AND FULLY PAID

7,076 A Ordinary shares of £1 each	7,076	7,076
4,100 C Ordinary shares of £1 each	4,100	4,100
1412 D Ordinary shares of £1 each	-	1,412
1,312 E Ordinary shares of £1 each	1,312	1,312
200 Redeemable shares of £1 each	200	200
	<u>12,688</u>	<u>14,100</u>

During the year the company purchased 1412 £1 D ordinary shares for a gross consideration of £140,000. The shares have been subsequently cancelled.

SERVICECARE SUPPORT SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS for the year ended 31 March 2007

16. RESERVES

	Share premium account £	Capital redempt'n reserve £	Profit and loss account £
At 1 April 2006	704,757	1,143	781,266
Loss for the year			(211,384)
Dividends Equity capital			(282,000)
Purchase of own shares			(140,000)
Transfer on purchase of own shares		1,412	
At 31 March 2007	<u>704,757</u>	<u>2,555</u>	<u>147,882</u>

17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2007 £	2006 £
Opening shareholders' funds	1,501,266	1,106,954
Prior year adjustments (note)		300,000
Opening shareholders' funds (as restated)		1,406,954
(Loss)/profit for the year	(211,384)	394,312
Dividends (Note 18)	(282,000)	(300,000)
Shares redeemed/cancelled during the year	(140,000)	-
Closing shareholders' funds	<u>867,882</u>	<u>1,501,266</u>

18. DIVIDENDS

	2007 £	2006 £
Dividends paid on equity capital	<u>282,000</u>	<u>300,000</u>

19 NET CASH FLOW FROM OPERATING ACTIVITIES

	2007 £	2006 £
Operating (loss)/profit	(244,182)	528,553
Amortisation of intangible fixed assets	49,751	49,751
Depreciation of tangible fixed assets	109,838	105,470
(Increase)/decrease in stocks	(17,862)	56,477
Decrease/(increase) in debtors	1,016	(13,272)
Increase/(decrease) in creditors	44,607	(159,572)
Increase in amounts owed to group undertakings	30,897	67,707
NET CASH (OUTFLOW)/INFLOW FROM OPERATIONS	<u>(25,935)</u>	<u>635,114</u>

SERVICECARE SUPPORT SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 31 March 2007

20 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2007 £	2006 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	-	4,313
Interest paid	(12,193)	(3,241)
Hire purchase interest	(6,038)	(7,599)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(18,231)	(6,527)
	2007 £	2006 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(52,290)	(55,807)
	2007 £	2006 £
FINANCING		
Purchase of ordinary shares	(140,000)	-
Repayment of loans	-	(1,575)
Repayment of finance leases	(37,468)	(42,590)
NET CASH OUTFLOW FROM FINANCING	(177,468)	(44,165)

21. ANALYSIS OF CHANGES IN NET DEBT

	1 April 2006 £	Cash flow £	Other non-cash changes £	31 March 2007 £
Cash at bank and in hand	110,039	(108,309)	-	1,730
Bank overdraft	-	(538,307)	-	(538,307)
	110,039	(646,616)	-	(536,577)
DEBT				
Debts due within one year	(37,467)	37,468	(27,612)	(27,611)
Debts falling due after more than one year	(42,492)	-	27,612	(14,880)
NET FUNDS/(DEBT)	30,080	(609,148)	-	(579,068)

SERVICECARE SUPPORT SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 31 March 2007

22. PENSION COMMITMENTS

The company makes contributions to defined contribution pension arrangements to secure retirement benefits for employees. The assets of the scheme are held separately from those of the company. The total pension cost charge for the year was £54,213 (2006 - £53,921), with no outstanding or prepaid contributions at the year end.

23. OPERATING LEASE COMMITMENTS

At 31 March 2007 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2007	2006
	£	£
EXPIRY DATE:		
Between 2 and 5 years	421,978	421,978