GOLFHILL LIMITED

FINANCIAL STATEMENTS

31 JULY 2001

Registered number: 3043921



WARD ALLISON

ACCOUNTANTS & BUSINESS ADVISERS

GOLFHILL LIMITED

FINANCIAL STATEMENTS

for the year ended 31 July 2001

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The following page does not form part of the statutory accounts

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GOLFHILL LIMITED

COMPANY INFORMATION

31 July 2001

INCORPORATED	in England on 10 April 1995
NUMBER	3043921
CHAIRMAN	C J Hunter
OTHER DIRECTORS	Mrs E A R Hunter
SECRETARY	C J Hunter
REGISTERED OFFICE	Sterling House 3 Dendy Road Paignton Devon
BANKERS	NatWest bank Plc 59 High Street Exeter Devon
SOLICITORS	Boyce Hatton Solicitors 12 Tor Hill Road Castle Circus Torquay Devon
ACCOUNTANTS	Ward Allison Accountants & Business Advisers Sterling House 3 Dendy Road Paignton Devon TQ4 5DB

GOLFHILL LIMITED

DIRECTORS' REPORT

31 July 2001

The directors present their report and the financial statements for the year ended 31 July 2001.

Principal activity

The principal activity of the company was the running of The Three Corners Nursing Home.

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

	31 July 2001 Ordinary shares	1 August 2000 Ordinary shares
C J Hunter	50	50
Mrs E A R Hunter	50	50

Small company exemptions

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

On behalf of the board

Mrs E A R Hunter
Director

Date: 2 February 2002

GOLFHILL LIMITED

ACCOUNTANTS' REPORT

Accountants' report to the directors on the unaudited financial statements of

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 July 2001, set out on pages 4 to 10, and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Ward Allison
Accountants & Business Advisers

Date: 2 February 2002

GOLFHILL LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 July 2001

	Note	2001 £	2000 £
Turnover	2	594,696	554,828
Cost of sales		(346,674)	(355,950)
Gross profit		248,022	198,878
Net operating expenses			
Administrative expenses		(86,942)	(110,291)
Operating profit	3	161,080	88,587
Interest payable	5	(58,394)	(84,295)
Profit on ordinary activities before taxation		102,686	4,292
Taxation	6	(20,633)	(1,345)
Profit on ordinary activities after taxation		82,053	2,947
Dividends	7	(40,000)	(15,000)
Retained profit/(loss) for the year	15	42,053	(12,053)

Movements in reserves are shown in note 15.

None of the company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains and losses in 2001 or 2000 other than the profit/(loss) for the year.

GOLFHILL LIMITED

BALANCE SHEET

at 31 July 2001

	Note	2001 £	2001 £	2000 £	2000 £
Fixed assets					
Intangible assets	8		80,000		85,000
Tangible assets	9		755,478		753,189
			835,478		838,189
Current assets					
Debtors	10	28,646		1,533	
Cash at bank and in hand		16,523		-	
		45,169		1,533	
Creditors: amounts falling due within one year	11	(251,104)		(164,847)	
Net current liabilities			(205,935)		(163,314)
Total assets less current liabilities			629,543		674,875
Creditors: amounts falling due after more than one year	12		(583,096)		(670,480)
			46,447		4,395
Capital and reserves					
Called up share capital	14		100		100
Profit and loss account	15		46,347		4,295
Total shareholders' funds	13		46,447		4,395

The directors consider that for the year ended 31 July 2001 the company was entitled to exemption under subsection 1 of section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial year under subsection 2 of section 249B of the Act.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

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

The financial statements on pages 4 to 10 were approved by the board of directors on 2 February 2002 and signed on its behalf by:

Mrs E A R Hunter

GOLFHILL LIMITED

NOTES ON FINANCIAL STATEMENTS

31 July 2001

1 Accounting policies

Basis of accounting
The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 (Revised 1996) on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover
Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Intangible fixed assets
Goodwill represents the difference between the fair value of the consideration paid on acquisition of a business and the fair value of its separable net assets at the date of acquisition. Goodwill is amortised over its estimated useful life of Amortised at 5% per annum.

Tangible fixed assets
Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold buildings	None
Motor vehicles	25% per annum of net book value
Fixtures and fittings	15% per annum of net book value

Leases and hire purchase contracts
Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Rentals paid under operating leases are charged to income as incurred.

Deferred taxation
Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

2 Turnover

In the opinion of the directors, none of the turnover of the company is attributable to geographical markets outside the UK (2000 nil).

GOLFHILL LIMITED

NOTES ON FINANCIAL STATEMENTS

31 July 2001

3 Operating profit

	2001 £	2000 £
Operating profit is stated after charging:		
Operating leases:		
Hire of equipment	10,271	14,300
Depreciation of tangible fixed assets (note 9):		
Owned assets	6,253	8,488
Leased assets	1,138	1,803
Amortisation of intangible fixed assets	5,000	5,000
	12,391	15,291

4 Directors

	2001 £	2000 £
Directors' emoluments	8,443	5,400

5 Interest payable

	2001 £	2000 £
Finance lease and hire purchase contracts	951	1,505
Other interest payable	57,443	82,790
	58,394	84,295

6 Taxation

	2001 £	2000 £
Corporation tax on profit on ordinary activities at 20% (2000 20%)	20,991	1,345
Over provision in earlier years	(358)	-
	20,633	1,345

7 Dividends

	2001 £	2000 £
Equity - ordinary/final	40,000	15,000

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NOTES ON FINANCIAL STATEMENTS

31 July 2001

8 Intangible fixed assets

	Goodwill £
Cost	
1 August 2000 and 31 July 2001	100,000
Amortisation	
1 August 2000	15,000
Charge for the year	5,000
31 July 2001	20,000
Net book amount	
31 July 2001	80,000
1 August 2000	85,000

9 Tangible fixed assets

	Motor Vehicles £	Fixtures and Fittings £	Land and Buildings £	Total £
Cost				
1 August 2000	21,084	68,086	709,181	798,351
Additions	-	9,680	-	9,680
31 July 2001	21,084	77,766	709,181	808,031
Depreciation				
1 August 2000	14,422	30,740	-	45,162
Charge for the year	1,666	5,725	-	7,391
31 July 2001	16,088	36,465	-	52,553
Net book amount				
31 July 2001	4,996	41,301	709,181	755,478
1 August 2000	6,662	37,346	709,181	753,189

The net book amount of fixed assets includes £759 (2000 £1,897) in respect of assets held under finance leases and hire purchase contracts, the depreciation of which is shown in note 3.

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NOTES ON FINANCIAL STATEMENTS

31 July 2001

10 Debtors

	2001 £	2000 £
Amounts falling due within one year		
Trade debtors	27,113	-
Other debtors	1,533	1,533
	28,646	1,533

11 Creditors: amounts falling due within one year

	2001 £	2000 £
Bank loans and overdrafts	25,200	98,532
Trade creditors	6,453	8,978
Corporation tax	20,991	1,345
Other taxation and social security	4,781	12,026
Other creditors	193,679	43,966
	251,104	164,847

12 Creditors: amounts falling due after more than one year

	2001 £	2000 £
Other liabilities		
Bank loans	582,337	668,583
Obligations under finance leases and hire purchase contracts	759	1,897
	583,096	670,480
Maturity of debt included above		
In one year or less, or on demand	25,200	25,200
In more than one year but not more than two years	25,200	25,200
In more than two years but not more than five years	100,800	100,800
In more than five years	456,337	542,583
	607,537	693,783
Creditors other than finance lease and hire purchase contracts		
Amounts falling due after more than five years	456,337	542,583

GOLFHILL LIMITED

NOTES ON FINANCIAL STATEMENTS

31 July 2001

13 Reconciliation of movements in shareholders' funds

	2001 £	2000 £
Profit for the financial year	82,053	2,947
Dividends	(40,000)	(15,000)
Net addition to/(subtraction from) shareholders' funds	42,053	(12,053)
Opening shareholders' funds	4,394	16,448
Closing shareholders' funds	46,447	4,395

14 Called up share capital

	2001 Number of shares	2001 £	2000 Number of shares	2000 £
Authorised				
£1 Ordinary shares	100	100	100	100
Allotted, called up and fully paid				
£1 Ordinary shares	100	100	100	100

15 Profit and loss account

	2001 £
1 August 2000	4,294
Retained profit for the year	42,053
31 July 2001	46,347