

Newcross Nursing Agency Limited

Abbreviated Annual Report

Year Ended 30 April 2003

Company Registration Number 3184321



Newcross Nursing Agency Limited

Abbreviated Accounts

Year Ended 30 April 2003

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Newcross Nursing Agency Limited

Directors' Report

Year Ended 30 April 2003

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 April 2003.

Principal Activities and Business Review

The principal activity of the company during the year was that of an agency specialising in the provision of nursing and ancillary staff.

The company has once again enjoyed a successful trading year and is well placed to expand further during the coming year.

Results and Dividends

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have recommended the following dividends:

	2003 £	2002 £
Proposed dividends on equity shares	<u>400,000</u>	<u>87,000</u>

Directors

The directors who served the company during the year were as follows:

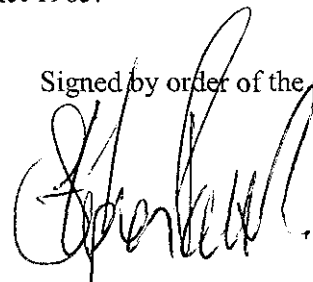
S Patrick
M Patrick

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company.

Auditors

A resolution to re-appoint Francis Clark as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed by order of the directors



S Patrick
Company Secretary

Newcross Nursing Agency Limited

Statement of Directors' Responsibilities

Year Ended 30 April 2003

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 at the end of the year and of the profit or loss for the year then ended. In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on page 7, and then apply them consistently;

make judgements and estimates that are reasonable and prudent; and

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. The directors 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.

Newcross Nursing Agency Limited

Independent Auditors' Report to the Company

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts which comprise the Profit and Loss Account, Balance Sheet, Cash Flow Statement and the related notes, together with the financial statements of the company for the year ended 30 April 2003 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, as a body, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company 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, for our audit 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 accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

Basis of Opinion

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. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act, and the abbreviated accounts on pages 4 to 14 are properly prepared in accordance with those provisions.

Francis Clark
Chartered Accountants
Southernhay House
36 Southernhay East
Exeter
EX1 1NX

13 March 2004

Francis Clark

Francis Clark
Registered Auditors

Newcross Nursing Agency Limited

Abbreviated Profit and Loss Account

Year Ended 30 April 2003

	Note	2003 £	2002 £
Gross Profit		1,322,597	875,518
Administrative expenses		<u>825,141</u>	<u>779,850</u>
Operating Profit	2	497,456	95,668
Interest receivable and similar income		161	3,785
Interest payable	5	<u>(3,040)</u>	<u>(4,942)</u>
Profit on Ordinary Activities Before Taxation		494,577	94,511
Tax on profit on ordinary activities	6	<u>(83,627)</u>	<u>(6,847)</u>
Profit on Ordinary Activities after Taxation		410,950	87,664
Dividends	7	400,000	87,000
Retained Profit for the Financial Year		<u>10,950</u>	<u>664</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

Newcross Nursing Agency Limited

Abbreviated Balance Sheet

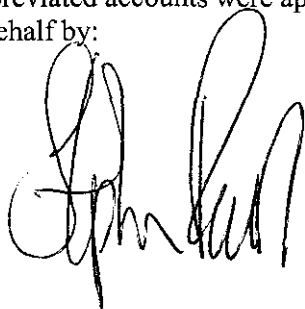
30 April 2003

	Note	£	2003 £	£	2002 £
Fixed Assets					
Tangible assets	8		—		—
Current Assets					
Stocks	9	—		18,829	
Debtors	10	791,532		365,537	
Cash at bank and in hand		1,685		600	
		<u>793,217</u>		<u>384,966</u>	
Creditors: Amounts falling due within one year	11	<u>(738,613)</u>		<u>(333,036)</u>	
Net Current Assets			<u>54,604</u>		<u>51,930</u>
Total Assets Less Current Liabilities			<u>54,604</u>		<u>51,930</u>
Creditors: Amounts falling due after more than one year	12		<u>(31,724)</u>		<u>(40,000)</u>
			<u>22,880</u>		<u>11,930</u>
Capital and Reserves					
Called-up equity share capital	13		100		100
Profit and loss account	14		22,780		11,830
Shareholder's Funds	15		<u>22,880</u>		<u>11,930</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 1/5/04 and were signed on their behalf by:

S Patrick
Director



Newcross Nursing Agency Limited

Cash Flow Statement

Year Ended 30 April 2003

	Note	£	2003 £	£	2002 £
Net Cash (Outflow)/Inflow From Operating Activities	16		(134,478)		46,076
Returns on Investments and Servicing of Finance					
Interest received		161		3,785	
Interest paid		(3,040)		(4,942)	
Net Cash Outflow From Returns on Investments and Servicing of Finance			(2,879)		(1,157)
Taxation			(6,847)		(33,408)
Capital Expenditure					
Receipts from sale of fixed assets		—		67,513	
Net Cash Inflow From Capital Expenditure			—		67,513
Equity Dividends Paid			—		(87,000)
Cash Outflow Before Financing			(144,204)		(7,976)
Financing					
Repayment of bank loans		(8,772)		(2,122)	
Net Cash Outflow From Financing			(8,772)		(2,122)
Decrease in Cash	17		<u>(152,976)</u>		<u>(10,098)</u>

Newcross Nursing Agency Limited

Notes to the Abbreviated Accounts

Year Ended 30 April 2003

1. Accounting Policies

(a) Basis of Accounting

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

(b) Turnover

The turnover shown in the Profit and Loss Account represents sales invoiced and accrued for work done in the year.

(c) Amortisation

Amortisation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

(d) Fixed Assets

All fixed assets are initially recorded at cost.

(e) Depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

(f) Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

(g) Deferred Taxation

The company has adopted FRS19 during the year. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19. The adoption of FRS19 has had no impact on the taxation charge for either the year ended 30 April 2003 or 30 April 2002.

2. Operating Profit

Operating profit is stated after charging:

	2003	2002
	£	£
Amortisation	-	7,802
Depreciation of owned fixed assets	-	8,376
Loss on disposal of fixed assets	-	28,699
Auditors' remuneration		
- audit fees	-	5,500

Newcross Nursing Agency Limited

Notes to the Abbreviated Accounts

Year Ended 30 April 2003

3. Particulars of Employees

The average number of staff employed by the company during the financial year amounted to:

	2003 No	2002 No
Number of production staff	223	208
Number of administrative staff	14	5
Number of management staff	9	2
	<u>246</u>	<u>215</u>

The aggregate payroll costs of the above were:

	2003 £	2002 £
Wages and salaries	3,008,241	2,256,719
Social security costs	202,638	150,949
Other pension costs	—	21,613
	<u>3,210,879</u>	<u>2,429,281</u>

4. Directors' Emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	2003 £	2002 £
Emoluments receivable	60,000	56,000
Value of company pension contributions to money purchase schemes	—	21,613
	<u>60,000</u>	<u>77,613</u>

The number of directors who are accruing benefits under company pension schemes was as follows:

	2003 No	2002 No
Money purchase schemes	<u>—</u>	<u>2</u>

Newcross Nursing Agency Limited

Notes to the Abbreviated Accounts

Year Ended 30 April 2003

5. Interest Payable

	2003 £	2002 £
Interest payable on bank borrowing	69	3,382
Other similar charges payable	2,971	1,560
	<u>3,040</u>	<u>4,942</u>

6. Tax on Profit on Ordinary Activities

(a) Analysis of charge in the year

	2003 £	2002 £
Current tax:		
UK Corporation tax based on the results for the year at 29.81% (2002 - 19.90%)	83,627	6,847
Total current tax	<u>83,627</u>	<u>6,847</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 29.81% (2002 - 19.90%).

	2003 £	2002 £
Profit on ordinary activities before taxation	<u>494,577</u>	<u>94,511</u>
Profit on ordinary activities multiplied by the standard rate of UK corporation tax	147,433	18,808
Excess capital allowances over depreciation	(777)	2,530
Disallowable expenditure	–	981
Group relief claimed	(63,029)	(21,187)
Loss on disposal of fixed assets	–	5,715
Total current tax (note 6(a))	<u>83,627</u>	<u>6,847</u>

7. Dividends

The following dividends have been proposed in respect of the year:

	2003 £	2002 £
Proposed dividend on ordinary shares	<u>400,000</u>	<u>87,000</u>

Newcross Nursing Agency Limited

Notes to the Abbreviated Accounts

Year Ended 30 April 2003

8. Tangible Fixed Assets

	Equipment £
Cost	
At 1 May 2002 and 30 April 2003	<u>38,506</u>
Depreciation	
At 1 May 2002	<u>38,506</u>
At 30 April 2003	<u>38,506</u>
Net Book Value	
At 30 April 2003	<u>—</u>
At 30 April 2002	<u>—</u>

9. Stocks

	2003 £	2002 £
Staff uniforms	<u>—</u>	<u>18,829</u>

10. Debtors

	2003 £	2002 £
Trade debtors	438,921	239,850
Amounts owed by group undertakings	189,416	84,932
Directors' current accounts	—	40,755
Prepayments and accrued income	163,195	—
	<u>791,532</u>	<u>365,537</u>

Newcross Nursing Agency Limited

Notes to the Abbreviated Accounts

Year Ended 30 April 2003

11. Creditors: Amounts falling due within one year

	2003 £	2002 £
Bank loans and overdrafts	306,420	152,855
Trade creditors	1,037	1,407
Amounts owed to group undertakings	96,828	—
Other creditors including taxation and social security:		
Corporation tax	83,627	6,847
PAYE and social security	91,220	54,825
Other creditors	59,685	41,497
	<u>234,532</u>	<u>103,169</u>
Accruals and deferred income	99,796	75,605
	<u>738,613</u>	<u>333,036</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2003 £	2002 £
Bank loans and overdrafts	<u>306,420</u>	<u>152,855</u>

12. Creditors: Amounts falling due after more than one year

	2003 £	2002 £
Bank loans and overdrafts	<u>31,724</u>	<u>40,000</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2003 £	2002 £
Bank loans and overdrafts	<u>31,724</u>	<u>40,000</u>

Newcross Nursing Agency Limited

Notes to the Abbreviated Accounts

Year Ended 30 April 2003

13. Share Capital

Authorised share capital:

	2003 £	2002 £
Equity shares		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2003 No	£	2002 No	£
Equity shares				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

14. Profit and Loss Account

	2003 £	2002 £
Balance brought forward	11,830	11,166
Retained profit for the financial year	<u>10,950</u>	<u>664</u>
Balance carried forward	<u>22,780</u>	<u>11,830</u>

15. Reconciliation of Movements in Shareholder's Funds

	2003 £	2002 £
Profit for the financial year	410,950	87,664
Dividends	<u>(400,000)</u>	<u>(87,000)</u>
	10,950	664
Opening shareholder's equity funds	<u>11,930</u>	<u>11,266</u>
Closing shareholder's equity funds	<u>22,880</u>	<u>11,930</u>

Newcross Nursing Agency Limited

Notes to the Abbreviated Accounts

Year Ended 30 April 2003

16. Reconciliation of Operating Profit to Net Cash (Outflow)/Inflow From Operating Activities

	2003 £	2002 £
Operating profit	497,456	95,668
Amortisation	—	7,802
Depreciation	—	8,376
Loss on disposal of fixed assets	—	28,699
Decrease/(increase) in stocks	18,829	(18,329)
Increase in debtors	(425,995)	(38,368)
Decrease in creditors	(224,768)	(37,772)
Net cash (outflow)/inflow from operating activities	<u>(134,478)</u>	<u>46,076</u>

17. Reconciliation of Net Cash Flow to Movement in Net Debt

	£	2003 £	£	2002 £
Decrease in cash in the period	(152,976)		(10,098)	
Net cash outflow from bank loans	<u>8,772</u>		<u>2,122</u>	
		(144,204)		(7,976)
Change in net debt		(144,204)		(7,976)
Net debt at 1 May 2002		(192,255)		(184,279)
Net debt at 30 April 2003		<u>(336,459)</u>		<u>(192,255)</u>

18. Analysis of Changes in Net Debt

	At 1 May 2002 £	Cash flows £	At 30 Apr 2003 £
Net cash:			
Cash in hand and at bank	600	1,085	1,685
Overdrafts	(142,855)	(154,061)	(296,916)
	<u>(142,255)</u>	<u>(152,976)</u>	<u>(295,231)</u>
Debt:			
Debt due within 1 year	(10,000)	496	(9,504)
Debt due after 1 year	(40,000)	8,276	(31,724)
	<u>(50,000)</u>	<u>8,772</u>	<u>(41,228)</u>
Net debt	<u>(192,255)</u>	<u>(144,204)</u>	<u>(336,459)</u>

Newcross Nursing Agency Limited

Notes to the Abbreviated Accounts

Year Ended 30 April 2003

19. Ultimate Parent Company

The company is a wholly owned subsidiary of Newcross Nursing Group Limited, a company registered and incorporated in England and Wales.