

MUIRFIELD NURSING HOME LIMITED

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 APRIL 1994



# MUIRFIELD NURSING HOME LIMITED

## DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 1994

The Directors present their Report and Accounts for the year ended 30 April 1994.

### RESULTS AND DIVIDENDS

The net profit after taxation for the year was £63,505.

Dividends of £70,000 were paid during the year. The Directors recommend that the retained loss of £(6,695) be transferred to reserves.

### REVIEW OF THE BUSINESS

The principal activity of the Company, continuing without significant change during the period, consisted of the operating of a private nursing home.

In view of the general economic situation the Directors are satisfied with the results for the year.

### FIXED ASSETS

All movements in the Fixed Assets of the company during the period are shown in the notes to the accounts.

### CLOSE COMPANY PROVISIONS

The Company is a Close Company within the meaning of the Income and Corporation Taxes Act 1988.

### DIRECTORS

The following were directors of the company during the period. Their interests in the share capital of the Company were as follows:-

| Name            | Ordinary Shares £1 Each |               |
|-----------------|-------------------------|---------------|
|                 | 30 April 1994           | 30 April 1993 |
| J M Wilkie      | 300                     | 400           |
| J M Wilkie BACA | 200                     | 200           |
| K Gillies RGN   | -                       | -             |

J M Wilkie and J M Wilkie BACA have an interest in the lease for premises into which the company has entered. The lease is on normal commercial terms and conditions.

# MUIRFIELD NURSING HOME LIMITED

## DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 1994

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

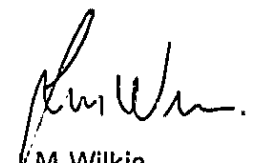
- select suitable accounting policies and then apply them consistently;
- make judgement and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

### AUDITORS

David S Beveridge & Co served as auditors throughout the year. A resolution to re-appoint David S Beveridge & Co will be proposed at the Annual General Meeting.

By Order of the Board.



M Wilkie  
Company Secretary

22 September 1994

## AUDITORS' REPORT TO THE SHAREHOLDERS

### OF MUIRFIELD NURSING HOME LIMITED

We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

#### Respective responsibilities of directors and auditors

As described in the Directors' Report on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

#### Basis of opinion

We conducted our audit in accordance with Auditing Standards 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 of the state of the company's affairs as at 30 April 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*David S. Beveridge & Co. CA*

David S Beveridge & Co  
Chartered Accountants  
Registered Auditors

72 Ratcliffe Terrace  
Edinburgh  
EH9 1ST

22 September 1994

MUIRFIELD NURSING HOME LIMITED

PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 1994

|                                                  | Notes | 1994<br>£      | 1993<br>£     |
|--------------------------------------------------|-------|----------------|---------------|
| Turnover                                         | 2     | 604,108        | 611,197       |
| Cost of Sales                                    |       | 35,888         | 32,788        |
| Gross Profit                                     |       | 568,220        | 578,409       |
| Administrative Expenses                          |       | 473,292        | 447,168       |
| Operating Profit                                 | 3     | 94,928         | 131,241       |
| Interest Payable                                 | 6     | 9,401          | 14,007        |
| Profit on Ordinary Activities<br>before Taxation |       | 85,527         | 117,234       |
| Tax on Profit on Ordinary Activities             | 7     | 22,222         | 30,158        |
| Profit on Ordinary Activities<br>after Taxation  |       | 63,305         | 87,076        |
| Dividends Paid                                   | 14    | 70,000         | -             |
| Retained (Loss)/Profit for Year                  | 13    | <u>(6,695)</u> | <u>87,076</u> |

MUIRFIELD NURSING HOME LIMITED

BALANCE SHEET

AS AT 30 APRIL 1994

|                                              | Notes | 1994<br>£       | 1993<br>£        |
|----------------------------------------------|-------|-----------------|------------------|
| FIXED ASSETS                                 |       |                 |                  |
| Tangible Assets                              | 8     | <u>334,891</u>  | <u>397,069</u>   |
| CURRENT ASSETS                               |       |                 |                  |
| Stock                                        | 9     | 1,200           | 1,200            |
| Debtors                                      | 10    | <u>71,903</u>   | <u>61,837</u>    |
|                                              |       | 73,103          | 63,037           |
| CREDITORS:                                   |       |                 |                  |
| Amounts falling due within one year          | 11    | <u>152,530</u>  | <u>197,947</u>   |
| NET CURRENT ASSETS                           |       | <u>(79,427)</u> | <u>(134,910)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES        |       | 255,464         | 262,159          |
| CREDITORS:                                   |       |                 |                  |
| Amounts falling due after more than one year | 11    | <u>-</u>        | <u>-</u>         |
| NET ASSETS                                   |       | <u>255,464</u>  | <u>262,159</u>   |
| CAPITAL & RESERVES                           |       |                 |                  |
| Share Capital                                | 12    | 800             | 800              |
| Profit & Loss Account                        | 13    | <u>254,664</u>  | <u>261,359</u>   |
|                                              |       | <u>255,464</u>  | <u>262,159</u>   |

The financial statements were approved by the Board of Directors  
on 22 September 1994.

  
M Wilkie

# MUIRFIELD NURSING HOME LIMITED

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 APRIL 1994

### 1. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. The particular accounting policies adopted are described below.

#### (a) Accounting Conventions:

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

#### (b) Depreciation:

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life using the reducing balance method at the percentage rates shown below:-

|                     |     |
|---------------------|-----|
| Plant & Machinery   | 25% |
| Fixtures & Fittings | 25% |
| Motor Vehicles      | 25% |

#### (c) Deferred Taxation:

Deferred taxation is provided by the liability method on all short term timing differences, calculated at the rate at which it is estimated that tax will be payable. Provision is also made for long term timing differences, except for those which are not expected to reverse in the future.

#### (d) Leasing and Hire Purchase Commitments:

Assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The interest element of the rental obligations is charged to profit and loss account over the period of the lease and represents a constant proportion of the balance of capital commitments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

#### (e) Stock

Stock is valued at the lower of cost or net realisable value. Net realisable value represents the selling price of the product less any estimated costs of sale.

#### (f) Cash Flow Statement

In accordance with the exemption provided for small companies under Financial Reporting Standard No 1, no cash flow statement has been prepared.

MUIRFIELD NURSING HOME LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 APRIL 1994

2. TURNOVER

Turnover is derived from the provision of nursing home accommodation in the United Kingdom.

3. OPERATING PROFIT

This is stated after charging or (crediting):

|                              | 1994<br>£ | 1993<br>£ |
|------------------------------|-----------|-----------|
| Directors' remuneration      | 27,225    | 12,306    |
| Auditors' remuneration       | 700       | 650       |
| Depreciation of fixed assets | 8,300     | 10,050    |
| Leasing Charges              | 866       | 5,203     |

4. DIRECTORS EMOLUMENTS

The Directors emoluments (including pension contributions) comprise:-

|                            | 1994<br>£     | 1993<br>£     |
|----------------------------|---------------|---------------|
| Remuneration as executives | <u>27,225</u> | <u>12,306</u> |

5. STAFF COSTS

|                       | 1994<br>£      | 1993<br>£      |
|-----------------------|----------------|----------------|
| Wages & Salaries      | 298,368        | 280,509        |
| Social Security Costs | <u>29,508</u>  | <u>27,742</u>  |
|                       | <u>327,876</u> | <u>308,251</u> |

The average number of persons (including directors) employed by the company was as follows:-

|                     | 1994      | 1993      |
|---------------------|-----------|-----------|
| Office & Management | 2         | 2         |
| Service             | <u>35</u> | <u>35</u> |
|                     | <u>37</u> | <u>37</u> |

MUIRFIELD NURSING HOME LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 APRIL 1994

6. INTEREST PAYABLE

|                                                                 | 1994<br>£    | 1993<br>£     |
|-----------------------------------------------------------------|--------------|---------------|
| On Bank overdraft and loans repayable within 5 years            | 8,757        | 11,449        |
| On other loans repayable by instalments within 5 years          | 644          | 2,558         |
| Hire Purchase interest and finance charges under finance leases | -            | -             |
|                                                                 | <u>9,401</u> | <u>14,007</u> |

7. TAXATION

The charge to taxation based on the profits for the period comprises:

|                                        | 1994<br>£     | 1993<br>£     |
|----------------------------------------|---------------|---------------|
| UK Corporation Tax at 25% (1993 - 25%) | 21,402        | 29,285        |
| Underprovision in previous year        | <u>820</u>    | <u>873</u>    |
|                                        | <u>22,222</u> | <u>30,158</u> |

8. TANGIBLE FIXED ASSETS

|                               | Land<br>Buildings<br>£ | Leasehold<br>Improvements<br>£ | Fixtures &<br>Fittings<br>£ | Motor<br>Vehicles<br>£ | Total<br>£      |
|-------------------------------|------------------------|--------------------------------|-----------------------------|------------------------|-----------------|
| <b>Cost</b>                   |                        |                                |                             |                        |                 |
| As at 1 May 1993              | 322,384                | 90,303                         | 27,778                      | 11,508                 | 451,973         |
| Additions                     | 3,773                  | 4,040                          | 1,225                       |                        | 9,038           |
| Disposals                     | <u>(60,354)</u>        |                                |                             | <u>(3,750)</u>         | <u>(64,104)</u> |
| As at 30 April 1994           | <u>265,803</u>         | <u>94,343</u>                  | <u>29,003</u>               | <u>7,758</u>           | <u>396,907</u>  |
| <b>Aggregate Depreciation</b> |                        |                                |                             |                        |                 |
| As at 1 May 1993              | -                      | 29,072                         | 21,028                      | 4,804                  | 54,904          |
| Disposals                     | -                      | 6,528                          | 1,994                       | (2,865)                | (2,865)         |
| Charge for the year           | -                      |                                |                             | <u>(3,750)</u>         | <u>(64,104)</u> |
| As at 30 April 1994           | -                      | <u>35,600</u>                  | <u>23,022</u>               | <u>3,394</u>           | <u>62,016</u>   |
| <b>Net Book Value</b>         |                        |                                |                             |                        |                 |
| As at 30 April 1994           | <u>265,803</u>         | <u>58,743</u>                  | <u>5,981</u>                | <u>4,364</u>           | <u>334,891</u>  |
| As at 30 April 1993           | <u>322,384</u>         | <u>61,231</u>                  | <u>6,750</u>                | <u>6,704</u>           | <u>397,069</u>  |

MUIRFIELD NURSING HOME LIMITED  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30 APRIL 1994

12. SHARE CAPITAL

|                            | Authorised |            | Allotted, Called<br>Up & Fully Paid |           |
|----------------------------|------------|------------|-------------------------------------|-----------|
|                            | 1994<br>No | 1993<br>No | 1994<br>£                           | 1993<br>£ |
| Ordinary shares of £1 each | 1,000      | 1,000      | 800                                 | 800       |

13. RESERVES

|                            | 1994<br>£      | 1993<br>£      |
|----------------------------|----------------|----------------|
| Profit & Loss Account      |                |                |
| As at 30 April 1993        | 261,359        | 174,283        |
| (Loss)/Profit for the Year | <u>(6,695)</u> | <u>87,076</u>  |
| As at 30 April 1994        | <u>254,664</u> | <u>261,359</u> |

14. DIVIDENDS

|                | 1994<br>£     | 1993<br>£  |
|----------------|---------------|------------|
| Dividends paid | <u>70,000</u> | <u>Nil</u> |

15. ANNUAL COMMITMENTS UNDER OPERATING LEASES

The company has annual commitments under operating leases as follows:-

|                   | Plant & Equipment |           |
|-------------------|-------------------|-----------|
|                   | 1994<br>£         | 1993<br>£ |
| Within one year   | -                 | -         |
| Two to five years | -                 | 1,272     |
| Over five years   | -                 | -         |

16. CAPITAL COMMITMENTS

There were no capital commitments either contracted for or authorised but not contracted for (1993 £nil).