

MUIRFIELD NURSING HOME LIMITED
COMPANY NUMBER: SC106708

ANNUAL REPORT
FOR THE YEAR ENDED 30 APRIL 1999

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MUIRFIELD NURSING HOME LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 30 APRIL 1999

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The following pages does not form part of the statutory accounts:-

Detailed trading and profit and loss account	Appendix 1
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MUIRFIELD NURSING HOME LIMITED

COMPANY INFORMATION

AS AT 30 APRIL 1999

INCORPORATED

Scotland

DIRECTORS

**J M Wilkie
K Gillies
B Ferguson
K Murdoch**

SECRETARY

K Murdoch

REGISTERED OFFICE

**Dundas House
Westfield Park
Eskbank
Midlothian
EH22 3FB**

BANKERS

**Royal Bank of Scotland
12 Westgate
North Berwick
East Lothian
EH39 4AT**

SOLICITORS

**MacLachlan & MacKenzie
8 Walker Street
Edinburgh
EH3 7LH**

AUDITORS

**Ian J Brown & Co
4 Lothian Street
Dalkeith
Midlothian
EH22 1DS**

MUIRFIELD NURSING HOME LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 1999

The directors present their report and the audited financial statements for the year ended 30 April 1999.

PRINCIPAL ACTIVITY

The principal activity of the company continued without significant change during the period as the operation of a private nursing home.

YEAR 2000 AND THE EURO

The directors have considered the potential impact and extent of the Year 2000 compatibility and the introduction of the Euro on the company and its operations. To date the company has not experienced any significant problems and they are satisfied that the company can adequately address the issues and do not foresee any material problems with respect to customers, suppliers and other relevant parties.

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.

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:-

	30 April 1999 Ordinary £1 shares	1 May 1998 Ordinary £1 shares
J M Wilkie (including spouse)	446	446
K Gillies	-	-
B Ferguson (including spouse)	108	108
K Murdoch (including spouse)	46	46

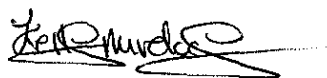
STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 judgements 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.

On behalf of the board



K Murdoch
Secretary

AUDITORS' REPORT TO THE MEMBERS OF

MUIRFIELD NURSING HOME LIMITED

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention subject to revaluation of certain fixed assets and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described 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 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ian J Brown & Co
Registered Auditor

*4 Lothian Street
Dalkeith
Midlothian*

28 April 2000

MUIRFIELD NURSING HOME LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 1999

	Note	1999 £	1998 £
Turnover	2	1,251,763	1,014,298
Cost of sales		<u>76,274</u>	<u>(59,324)</u>
Gross profit		1,175,489	954,974
Net operating expenses			
Administrative expenses		(908,757)	(790,534)
Other operating income		<u>5,200</u>	<u>2,692</u>
Operating profit	3	271,932	167,132
Interest payable		<u>(125,467)</u>	<u>(107,550)</u>
Profit on ordinary activities before taxation		146,465	59,582
Taxation	5	<u>(28,021)</u>	<u>(1,735)</u>
Profit on ordinary activities after taxation		118,444	57,847
Dividends		<u>-</u>	<u>(44,000)</u>
Retained profit for the year	15	<u><u>118,444</u></u>	<u><u>13,847</u></u>

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

There is no difference between the profit on ordinary activities before taxation and the retained profit for the above years and their historical cost equivalents.

There are no recognised gains and losses in 1999 or 1998 other than the profit for the years and therefore no separate statement of total recognised gains and losses has been presented.

MUIRFIELD NURSING HOME LIMITED

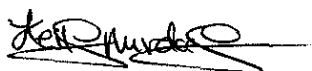
BALANCE SHEET

FOR THE YEAR ENDED 30 APRIL 1999

	Notes	1999 £	1998 £
Fixed assets			
Tangible assets	6	1,989,235	1,994,085
Investments	7	30,000	-
		<u>2,019,235</u>	<u>1,994,085</u>
Current assets			
Stocks		2,290	2,136
Debtors	8	106,533	111,363
Cash at bank and in hand		471	64
		<u>109,294</u>	<u>113,563</u>
Creditors: amounts falling due within one year	9	<u>(423,769)</u>	<u>(922,704)</u>
Net current liabilities		<u>(314,475)</u>	<u>(809,141)</u>
Total assets less current liabilities		<u>1,704,760</u>	<u>1,184,944</u>
Creditors: amounts falling due After more than one year	10	<u>(945,736)</u>	<u>(544,364)</u>
Net assets		<u><u>759,024</u></u>	<u><u>640,580</u></u>
Capital and reserves			
Called up share capital	12	600	600
Share premium	14	91,030	91,030
Revaluation reserve	13	376,910	376,910
Profit and loss account	15	290,484	172,040
Equity shareholders' funds	12	<u><u>759,024</u></u>	<u><u>640,580</u></u>

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 11 were approved by the board of directors on 28 April 1999 and signed on its behalf by:



K Murdoch
Director

MUIRFIELD NURSING HOME LIMITED

NOTES ON THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 1999

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules except for company's property which is stated at valuation. A summary of the more important accounting policies which have been consistently applied is set out below.

Cash flow statement

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 stated net of value added tax.

Tangible fixed assets

Freehold land and buildings and related contents are incorporated into the accounts at a valuation. The cost of other fixed assets is their purchase cost together with any incidental costs of acquisition.

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 land and buildings	Nil
Motor vehicles	25% reducing balance
Fixtures and fittings	25% reducing balance

The company adopts a policy to maintain its properties to a high standard and their useful economic lives and residual values are such that depreciation would not be material.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

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

The turnover for the year was derived from the company's principal activity. The whole of the turnover is attributable to the UK market.

MUIRFIELD NURSING HOME LIMITED
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 1999

3 OPERATING PROFIT

	1999 £	1998 £
Operating profit is stated after crediting		
Profit on sale of assets	<u>230</u>	<u>-</u>
and after charging		
Auditors' remuneration	1,033	2,140
Depreciation of tangible fixed assets		
Owned assets	<u>15,685</u>	<u>10,404</u>

4 DIRECTORS

	1999 £	1998 £
Directors' emoluments	<u>19,028</u>	<u>23,079</u>

5 TAXATION

	1999 £	1998 £
Corporation tax on profit on ordinary activities at 20% and 21% (1998 21%)	<u>28,021</u>	<u>1,735</u>

MUIRFIELD NURSING HOME LIMITED
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 1999

6 TANGIBLE FIXED ASSETS

	Land and Buildings £	Plant and Machinery etc £	Total £
Cost or valuation			
At 1 May 1998	1,938,022	100,113	2,038,135
Additions	5,593	13,011	18,604
Disposals	4,000	9,530	13,530
At 30 April 1999	1,939,615	103,594	2,043,209
Depreciation			
At 1 May 1998	-	44,049	44,049
Charge for year	-	15,685	15,685
Disposals		5,760	5,760
At 30 April 1999	-	53,974	53,974
Net book amount			
At 30 April 1999	1,939,615	49,620	1,989,235
At 30 April 1998	1,938,022	56,063	1,994,085

The company's freehold property was revalued as at 30 April 1995 by William & Inglis, Chartered Surveyors on an open market basis. The company revalued freehold property as at 30 April 1995 on the basis of this independent valuation.

As stated in note 1 the company adopts a policy to maintain its properties to a high standard. The directors are therefore of the opinion the useful economic lives and residual values of the properties are such that depreciation would not be material.

7 FIXED ASSET INVESTMENTS

	Loan £
Cost	
At 1 May 1998	-
Movement	30,000
Disposals	-
At 30 April 1999	30,000
Net book amount	
At 30 April 1999	30,000
At 30 April 1998	-

MUIRFIELD NURSING HOME LIMITED

NOTES ON THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 1999

8 DEBTORS

	1999	1998
	£	£
<i>Amounts falling due within one year:-</i>		
Trade debtors	41,334	36,491
Other debtors	12,698	18,923
Prepayments and accrued income	52,501	55,949
	<u>106,533</u>	<u>111,363</u>

9 CREDITORS: amounts falling due within one year

	1999	1998
	£	£
Bank loans and overdraft	235,535	757,770
Trade creditors	29,949	57,245
Corporation tax	31,048	29,475
Other taxation and social security	15,308	15,264
Other creditors	9,854	8,749
Accruals and deferred income	99,409	54,201
Hire purchase creditor	2,666	-
	<u>423,769</u>	<u>922,704</u>

The bank overdraft and loans are secured.

10 CREDITORS: amounts falling due after more than one year

	1999	1998
	£	£
Hire purchase creditor	4,223	-
Bank loans	941,513	544,364
	<u>945,736</u>	<u>544,364</u>

The bank loans are secured.

Loans fall due for repayment as follows:-

In one year or on demand	172,225	94,483
Between one and two years	172,225	94,483
Between two and five years	516,675	216,771
In five years or more	252,613	233,110
	<u>1,113,738</u>	<u>638,847</u>

MUIRFIELD NURSING HOME LIMITED
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 1999

11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1999 £	1998 £
Profit for the financial year	118,444	57,847
Dividends	-	(44,000)
New share capital subscribed	118,444	13,847
	-	91,230
Net addition to shareholders' funds	118,444	105,077
Opening shareholders' funds	640,580	535,503
Closing shareholders' funds	<u>759,024</u>	<u>640,580</u>

12 CALLED UP SHARE CAPITAL

	Number of shares	1999 £	Number of shares	1998 £
Authorised				
Ordinary £1 shares	1,000	1,000	1,000	1,000
Allotted called up and fully paid				
Ordinary £1 shares	600	600	600	600

13 REVALUATION RESERVE

	1999 £
At 1 May 1998	
and	
At 30 April 1999	<u>376,910</u>

MUIRFIELD NURSING HOME LIMITED
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 1999

14 SHARE PREMIUM

	1999 £
At 1 May 1998 and At 30 April 1999	 <u>91,030</u>

15 PROFIT AND LOSS ACCOUNT

	1999 £
At 1 May 1998	172,040
Retained profit for the year	<u>118,444</u>
At 30 April 1999	<u>290,484</u>

16 CONTROLLING PARTY

The company is under the control of Mr & Mrs J Wilkie, Mr J Wilkie is a director of the company.

MUIRFIELD NURSING HOME LIMITED**TRADING AND PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30 APRIL 1999**

	1999 £	1998 £
Turnover		
Sales	1,251,763	1,014,298
Cost of sales		
Direct costs	76,274	59,324
Gross profit	1,175,489	954,974
Other operating income		
Sundry income	5,200	2,692
	1,180,689	957,666
Less overheads		
Wages & salaries	715,310	585,447
National insurance	40,218	37,753
Training expenses	789	1,931
Agency fees	18,486	18,317
Directors' fees	19,028	23,079
Directors' national insurance	1,749	2,308
Insurance	7,453	7,111
Heat & light	22,651	17,965
Management fees	-	2,472
Telephone	2,402	3,344
Postage & stationery	2,136	5,050
Entertaining	-	90
Motor expenses	2,875	2,107
Trade subscriptions	-	-
Donations	-	2,000
Repairs & renewals	25,420	29,734
Hire of equipment	-	629
Cleaning and medical	21,415	21,443
Sundry expenses	6,998	5,190
Bank interest	42,141	46,056
Bank loan interest	83,034	58,802
Other loan interest	292	2,692
Professional fees	1,722	6,155
Lease charges	3,183	1,482
Accountancy fees	1,467	6,524
Depreciation motor vehicles	2,662	1,559
Depreciation plant and equipment	828	529
Depreciation fixtures and fittings	12,195	8,315
Profit on sale of motor vehicle	(230)	-
	1,034,224	898,084
Net profit for the year	146,465	59,582