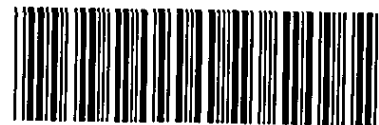


Company Registration No. 05774637 (England and Wales)

**SOUTHERN CARE GROUP LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2008**

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# **SOUTHERN CARE GROUP LIMITED**

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# **SOUTHERN CARE GROUP LIMITED**

## **DIRECTOR'S REPORT**

***FOR THE YEAR ENDED 30 SEPTEMBER 2008***

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The director presents his report and financial statements for the year ended 30 September 2008.

### **Principal activities and review of the business**

The principal activity of the company was that of the operation of registered nursing homes.

### **Results and dividends**

The results for the year are set out on page 6.

### **Future developments**

The company has continued to improve on the service provided to clients and has a very good reputation in the industry, something which it is keen to maintain. This will be achieved by the company continuing to invest in the right calibre of staff for the future.

### **Director**

The following director has held office since 1 October 2007:

Mr Dylan Southern

### **Auditors**

In accordance with the company's articles, a resolution proposing that Sage & Company be reappointed as auditors of the company will be put at a General Meeting.

# **SOUTHERN CARE GROUP LIMITED**

## **DIRECTOR'S REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2008**

---

### **Statement of director's responsibilities**

The director is responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 those financial statements, the director is required to:

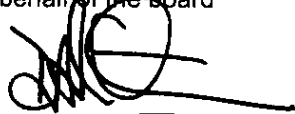
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

### **Statement of disclosure to auditors**

So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the director has taken all the necessary steps that he ought to have taken as director in order to make himself aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Mr Dylan Southern

Director

31 July 2009

# **SOUTHERN CARE GROUP LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO SOUTHERN CARE GROUP LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985**

---

We have examined the abbreviated accounts set out on pages 6 to 22, together with the financial statements of Southern Care Group Limited for the year ended 30 September 2008 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 them in an auditors' report on abbreviated accounts 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 the director and auditors**

The director is 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 sections 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 auditor's 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 have been properly prepared in accordance with that provision.

### **Other information**

On 31 July 2009 we reported, as auditors of Southern Care Group Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30 September 2008, and our report was as follows:

"We have audited the financial statements of Southern Care Group Limited for the year ended 30 September 2008 set out on pages 5 to 21. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

# **SOUTHERN CARE GROUP LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO SOUTHERN CARE GROUP LIMITED (CONTINUED)**

### **UNDER SECTION 247B OF THE COMPANIES ACT 1985**

---

#### **Respective responsibilities of the director and auditors**

The director's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Director's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the director's report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and other transactions is not disclosed.

We read the director's report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

Except as discussed in the following section we conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 director 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.

# **SOUTHERN CARE GROUP LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO SOUTHERN CARE GROUP LIMITED (CONTINUED)**

### **UNDER SECTION 247B OF THE COMPANIES ACT 1985**

---

#### **Qualified opinion arising from limitation in audit scope**

In relation to the limitation of scope of our audit work regarding trade debtors and trade creditors balances brought forward, the audit evidence available to us was limited due to the inadequacy of company records in both this and prior period. We were unable to obtain sufficient audit evidence in respect of trade debtors and trade creditors by using other audit procedures. Therefore we were unable to determine whether proper accounting records had been maintained and we had not obtained all the information and explanations that we considered necessary for the purpose of the audit.

Except for the effects upon the financial statements of the matters as referred to in the proceeding paragraph and such adjustments as might have been determined to be necessary had we been able to satisfy ourselves as to the amounts stated for trade debtors and trade creditors, in our opinion :

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 September 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors report is consistent with the financial statements"



**Sage & Company**

31 July 2009

**Chartered Accountants  
Registered Auditor**

102 Bowen Court  
St Asaph Business Park  
St Asaph  
Denbighshire  
LL17 0JE

# SOUTHERN CARE GROUP LIMITED

## ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2008

	Notes	2008 £	2007 £
Gross profit		1,502,986	2,034,075
Administrative expenses		(2,104,619)	(3,322,003)
Operating loss	2	(601,633)	(1,287,928)
Profit loss on sale of tangible assets	2	2,442,730	-
Profit/(loss) on ordinary activities before interest		1,841,097	(1,287,928)
Other interest receivable and similar income		1,215	1,078
Interest payable and similar charges	4	(624,790)	(396,001)
Profit/(loss) on ordinary activities before taxation		1,217,522	(1,682,851)
Tax on profit/(loss) on ordinary activities	5	(270,689)	-
Profit/(loss) for the year	15	946,833	(1,682,851)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.



# SOUTHERN CARE GROUP LIMITED

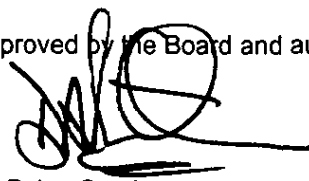
## ABBREVIATED BALANCE SHEET

AS AT 30 SEPTEMBER 2008

	Notes	2008 £	£	2007 £	£
<b>Fixed assets</b>					
Intangible assets	6	488,880		714,015	
Tangible assets	7	4,086,648		5,248,128	
Investments	8	1,454,097		1,454,097	
		<u>6,029,625</u>		<u>7,416,240</u>	
<b>Current assets</b>					
Stocks	9	5,290		8,553	
Debtors	10	898,746		935,125	
Cash at bank and in hand		231,855		27,664	
		<u>1,135,891</u>		<u>971,342</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(1,994,656)</u>		<u>(1,415,796)</u>	
<b>Net current liabilities</b>			<u>(858,765)</u>		<u>(444,454)</u>
<b>Total assets less current liabilities</b>			5,170,860		6,971,786
<b>Creditors: amounts falling due after more than one year</b>	12		<u>(5,906,778)</u>		<u>(8,654,537)</u>
			<u>(735,918)</u>		<u>(1,682,751)</u>
<b>Capital and reserves</b>					
Called up share capital	14		100		100
Profit and loss account	15		<u>(736,018)</u>		<u>(1,682,851)</u>
<b>Shareholders' funds</b>	16		<u>(735,918)</u>		<u>(1,682,751)</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

Approved by the Board and authorised for issue on 31 July 2009

X   
Mr Dylan Southern  
Director

# SOUTHERN CARE GROUP LIMITED

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2008

	£	2008 £	£	2007 £
<b>Net cash outflow from operating activities</b>		(25,680)		(1,166,782)
<b>Returns on investments and servicing of finance</b>				
Interest received	1,215		1,078	
Interest paid	(624,790)		(396,001)	
<b>Net cash outflow for returns on investments and servicing of finance</b>		(623,575)		(394,923)
<b>Capital expenditure and financial investment</b>				
Payments to acquire intangible assets	-	(793,350)		
Payments to acquire tangible assets	-	(5,299,945)		
Payments to acquire investments	-	(1,453,997)		
Receipts from sales of intangible assets	164,025	-		
Receipts from sales of tangible assets	3,569,640	-		
<b>Net cash inflow/(outflow) for capital expenditure</b>		3,733,665		(7,547,292)
<b>Net cash inflow/(outflow) before management of liquid resources and financing</b>		3,084,410		(9,108,997)
<b>Financing</b>				
New long term bank loan	-	11,967,821		
Repayment of long term bank loan	(2,868,731)	(2,873,363)		
Capital element of hire purchase contracts	(9,773)	40,478		
<b>Net cash (outflow)/inflow from financing</b>		(2,878,504)		9,134,936
<b>Increase in cash in the year</b>		205,906		25,939

# SOUTHERN CARE GROUP LIMITED

## NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2008

1	Reconciliation of operating loss to net cash outflow from operating activities	2008	2007
		£	£
	Operating loss	(601,633)	(1,287,928)
	Depreciation of tangible assets	34,570	51,817
	Amortisation of intangible assets	61,110	79,335
	Decrease/(increase) in stocks	3,263	(8,553)
	Decrease/(increase) in debtors	36,379	(935,125)
	Increase in creditors within one year	440,631	933,672
	<b>Net cash outflow from operating activities</b>	<b>(25,680)</b>	<b>(1,166,782)</b>

2	Analysis of net debt	1 October 2007	Cash flow	Other non-cash changes	30 September 2008
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	27,664	204,191	-	231,855
	Bank overdrafts	(1,725)	1,715	-	(10)
		<u>25,939</u>	<u>205,906</u>	<u>-</u>	<u>231,845</u>
	Bank deposits	-	-	-	-
	Debt:				
	Finance leases	(40,478)	9,773	-	(30,705)
	Debts falling due within one year	(470,403)	130,818	-	(339,585)
	Debts falling due after one year	(8,624,055)	2,737,913	-	(5,886,142)
		<u>(9,134,936)</u>	<u>2,878,504</u>	<u>-</u>	<u>(6,256,432)</u>
	<b>Net debt</b>	<b>(9,108,997)</b>	<b>3,084,410</b>	<b>-</b>	<b>(6,024,587)</b>

3	Reconciliation of net cash flow to movement in net debt	2008	2007
		£	£
	Increase in cash in the year	205,906	25,939
	Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	2,878,504	(9,134,936)
	<b>Movement in net debt in the year</b>	<b>3,084,410</b>	<b>(9,108,997)</b>
	Opening net debt	(9,108,997)	-
	<b>Closing net debt</b>	<b>(6,024,587)</b>	<b>(9,108,997)</b>

# **SOUTHERN CARE GROUP LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2008**

---

### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention.

#### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### **1.3 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts and represents the provision of nursing care home accommodation and services.

#### **1.4 Goodwill**

Acquired goodwill is written off in equal annual instalments over 10 years.

#### **1.5 Tangible fixed assets and depreciation**

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	Not charged
Plant and machinery	15% of reducing balance
Computer equipment	25% of cost
Fixtures, fittings & equipment	15% of reducing balance
Motor vehicles	25% of reducing balance

#### **1.6 Leasing**

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

#### **1.7 Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

#### **1.8 Stock**

Stock is valued at the lower of cost and net realisable value.

#### **1.9 Pensions**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

#### **1.10 Deferred taxation**

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

# SOUTHERN CARE GROUP LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2008

### 1 Accounting policies

(continued)

#### 1.11 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2	Operating loss	2008 £	2007 £
	Operating loss is stated after charging:		
	Amortisation of intangible assets	61,110	79,335
	Depreciation of tangible assets	34,570	51,817
	Operating lease rentals		
	- Plant and machinery	18,846	27,729
	Auditors' remuneration (including expenses and benefits in kind)	7,500	7,500
		<u>          </u>	<u>          </u>
3	Investment income	2008 £	2007 £
	Bank interest	1,215	1,078
		<u>          </u>	<u>          </u>
		1,215	1,078
		<u>          </u>	<u>          </u>
4	Interest payable	2008 £	2007 £
	On bank loans and overdrafts	607,925	396,001
	On overdue tax	16,865	-
		<u>          </u>	<u>          </u>
		624,790	396,001
		<u>          </u>	<u>          </u>

# SOUTHERN CARE GROUP LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2008

5	Taxation	2008 £	2007 £
	<b>Domestic current year tax</b>		
	U.K. corporation tax	270,689	-
	<b>Current tax charge</b>	<u>270,689</u>	<u>-</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit/(loss) on ordinary activities before taxation	<u>1,217,522</u>	<u>(1,682,851)</u>
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2007 - 20.00%)	<u>243,504</u>	<u>(336,570)</u>
	Effects of:		
	Non deductible expenses	12,822	14,008
	Depreciation add back	6,914	26,230
	Capital allowances	(48,424)	(30,638)
	Chargeable disposals	4,691	-
	Other tax adjustments	<u>51,182</u>	<u>326,970</u>
		<u>27,185</u>	<u>336,570</u>
	<b>Current tax charge</b>	<u>270,689</u>	<u>-</u>

The company has estimated losses of £ 1,594,515 (2007 - £ 1,594,515) available for carry forward against future trading profits.

# SOUTHERN CARE GROUP LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2008

### 6 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 October 2007	793,350
Disposals	(182,250)
	<hr/>
At 30 September 2008	611,100
	<hr/>
<b>Amortisation</b>	
At 1 October 2007	79,335
Amortisation on disposals	(18,225)
Charge for the year	61,110
	<hr/>
At 30 September 2008	122,220
	<hr/>
<b>Net book value</b>	
At 30 September 2008	488,880
	<hr/>
At 30 September 2007	714,015
	<hr/>

# SOUTHERN CARE GROUP LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2008

### 7 Tangible fixed assets

	Land and buildings Freehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 October 2007	5,003,131	28,702	216,040	52,072	5,299,945
Disposals	(1,076,162)	-	(59,703)	-	(1,135,865)
At 30 September 2008	3,926,969	28,702	156,337	52,072	4,164,080
<b>Depreciation</b>					
At 1 October 2007	-	6,393	32,406	13,018	51,817
On disposals	-	-	(8,955)	-	(8,955)
Charge for the year	-	6,216	18,590	9,764	34,570
At 30 September 2008	-	12,609	42,041	22,782	77,432
<b>Net book value</b>					
At 30 September 2008	3,926,969	16,093	114,296	29,290	4,086,648
At 30 September 2007	5,003,131	22,309	183,634	39,054	5,248,128

Included above are assets held under finance leases or hire purchase contracts as follows:

	Motor vehicles £
<b>Net book values</b>	
At 30 September 2008	29,289
At 30 September 2007	39,054
<b>Depreciation charge for the year</b>	
At 30 September 2008	9,764
At 30 September 2007	13,018



# SOUTHERN CARE GROUP LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2008

### 8 Fixed asset investments

	Unlisted investments £
<b>Cost</b>	
At 1 October 2007 & at 30 September 2008	1,454,097
<b>Net book value</b>	
At 30 September 2008	1,454,097
At 30 September 2007	1,454,097

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
<b>Subsidiary undertakings</b>			
Integra Management Services (UK) Ltd	England & Wales	Ordinary	100.00
Albany Healthcare Ltd	England & Wales	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2008 £	Profit/(loss) for the year 2008 £
	<b>Principal activity</b>		
Integra Management Services (UK) Ltd	Care home	211,955	74,444
Albany Healthcare Ltd	Care home	637,181	27,527

The financial year end for Integra Management Services (UK) Ltd is 31 March 2008.

The financial year end for Albany Healthcare Ltd is 31 December 2007.

9 Stocks	2008 £	2007 £
Finished goods and goods for resale	5,290	8,553

# **SOUTHERN CARE GROUP LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)**

***FOR THE YEAR ENDED 30 SEPTEMBER 2008***

---

<b>10 Debtors</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Trade debtors	19,834	36,400
Amounts owed by subsidiary undertakings	845,960	898,725
Other debtors	32,952	-
	<hr/>	<hr/>
	<b>898,746</b>	<b>935,125</b>
	<hr/>	<hr/>

# SOUTHERN CARE GROUP LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

**FOR THE YEAR ENDED 30 SEPTEMBER 2008**

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11 Creditors: amounts falling due within one year	2008 £	2007 £
Bank loans and overdrafts	339,595	472,128
Net obligations under finance leases	10,069	9,996
Trade creditors	57,174	48,442
Amounts owed to participating interests	1,040,715	412,072
Corporation tax	270,689	-
Other taxes and social security costs	119,874	191,840
Director's current accounts	15,581	133,087
Other creditors	89,706	97,461
Accruals and deferred income	51,253	50,770
	<hr/>	<hr/>
	1,994,656	1,415,796
	<hr/>	<hr/>

# **SOUTHERN CARE GROUP LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)**

### **FOR THE YEAR ENDED 30 SEPTEMBER 2008**

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On the 10 July 2006 a debenture was created securing all monies due or to become due from the company to The Royal Bank of Scotland Plc over all of the assets of the company both present and future

On the 11 July 2006 a Legal Charge was created securing all monies due or to become due from the Company to the Royal Bank of Scotland Plc over the property known as Merlewood, 6 Abbey Road, Rhos on Sea.

On the 11 July 2006 a Legal Charge was created securing all monies due or to become due from the Company to the Royal Bank of Scotland Plc over the property known as Rhos Priory, 4 Abbey Road, Rhos on Sea.

On the 15 February 2007 a debenture was created in favour of The Governor and Company of the Bank of Ireland over all of the assets of the company both present and future

On the 15 February 2007 a legal charge was created securing all monies due or to become due from the company to The Governor and Company of the Bank of Ireland over the property known as Priory Court and Rhos Priory.

On the 2 April 2007 a legal charge was created in favour of The Governor and Company of the Bank of Ireland securing all monies due or to become due over the property known as Maes Elwy Nursing Home and Maes Elwy Farm

On the 16 April 2007 a legal charge was created in favour of The Governor and Company of the Bank of Ireland securing all monies due or to become due from the company over the property located at the First Floor Plot 5375, North Wales Business Park

On the 10 May 2007 an assignment of life policies was created in favour of The Governor and Company of the Bank of Ireland for £100,000 over the life policy of Mr Dylan Arthur Southern.

On the 18 June 2007 a legal charge was created in favour of The Governor and the Company of the Bank of Ireland securing all monies due or to become due from the company over the property known as Coed Duon, Holywell.

A personal guarantee by Mr & Mrs D Southern in favour of The Bank of Ireland up to a value of £2,000,000 supported by various properties

A assignment over the life assurance policies of Mr & Mrs D Southern up to a value of £1,200,000.

# SOUTHERN CARE GROUP LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2008

12 Creditors: amounts falling due after more than one year	2008 £	2007 £
Bank loans	5,886,142	8,624,055
Net obligations under finance leases	20,636	30,482
	<u>5,906,778</u>	<u>8,654,537</u>
<b>Analysis of loans</b>		
Wholly repayable within five years	6,225,727	9,094,458
	<u>6,225,727</u>	<u>9,094,458</u>
Included in current liabilities	(339,585)	(470,403)
	<u>5,886,142</u>	<u>8,624,055</u>
<b>Loan maturity analysis</b>		
In more than one year but not more than two years	339,585	470,403
In more than two years but not more than five years	1,358,341	1,881,612
In more than five years	4,527,801	6,742,443
	<u></u>	<u></u>
<b>Net obligations under finance leases</b>		
Repayable within one year	10,069	9,996
Repayable between one and five years	20,636	30,482
	<u>30,705</u>	<u>40,478</u>
Included in liabilities falling due within one year	(10,069)	(9,996)
	<u>20,636</u>	<u>30,482</u>

The terms of repayments for the loans stated above are:

- £2,225,727 is to be repaid over a 240 month period with the first 24 months being on an interest only basis. The repayments for the remainder of the period will be on a capital and interest basis.

- £4,000,000 is to be repaid over a 240 month period with the first 24 months being on an interest only basis. The repayments for the remainder of the period will be on a capital and interest basis.

# SOUTHERN CARE GROUP LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2008

#### 13 Pension and other post-retirement benefit commitments

##### Defined contribution

	2008 £	2007 £
Contributions payable by the company for the year	975	513

#### 14 Share capital

	2008 £	2007 £
<b>Authorised</b>		
100 Ordinary shares of £1 each	100	100
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £1 each	100	100

100 ordinary shares of £1 each were issued on incorporation at par value.

#### 15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 October 2007	(1,682,851)
Profit for the year	946,833
Balance at 30 September 2008	(736,018)

#### 16 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Profit/(Loss) for the financial year	946,833	(1,682,851)
Opening shareholders' funds	(1,682,751)	100
Closing shareholders' funds	(735,918)	(1,682,751)

# SOUTHERN CARE GROUP LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2008

#### 17 Financial commitments

At 30 September 2008 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 September 2009:

	Other 2008 £	2007 £
Operating leases which expire:		
Within one year	10,069	9,996
Between two and five years	20,636	30,482
	<u>30,705</u>	<u>40,478</u>

#### 18 Director's emoluments

	2008 £	2007 £
Emoluments for qualifying services	<u>22,030</u>	<u>363,076</u>

#### 19 Employees

##### Number of employees

The average monthly number of employees (including directors) during the year was:

	2008 Number	2007 Number
Care staff	150	80
Administration and finance	9	9
	<u>159</u>	<u>89</u>

##### Employment costs

	2008 £	2007 £
Wages and salaries	1,308,480	2,223,414
Social security costs	100,479	232,018
Other pension costs	975	513
	<u>1,409,934</u>	<u>2,455,945</u>

# **SOUTHERN CARE GROUP LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)**

***FOR THE YEAR ENDED 30 SEPTEMBER 2008***

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### **20 Ultimate parent company**

The company is under the control of Mr D A Southern who owns 100% of the share capital.

### **21 Post balance sheet events**

The directors have considered the position of the company at the year end and are of the opinion that the company will continue to trade for the foreseeable future.