

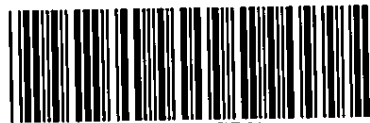
Registered number 359470

ST. ANDREWS HOMES LIMITED

REPORT & ACCOUNTS

1 March 2007

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COMPANIES HOUSE

ST. ANDREWS HOMES LIMITED

DIRECTORS: SC Barratt
CCB Rogers

SECRETARY: RW Fairhurst
DC Lowry

AUDITORS: Ernst & Young LLP
400 Capability Green
Luton
LU1 3LU

REGISTERED OFFICE: Whitbread Court
Houghton Hall Business Park
Porz Avenue
Dunstable
Bedfordshire
LU5 5XE

REGISTERED NUMBER: 359470

DIRECTORS' REPORT

Accounts

The Directors submit to the shareholders their report and accounts for the year ended 1 March 2007

Principal activity and review of business development

On 25 January 2007 the Company ceased trading after selling the operations of the 13 nursing and residential homes which it previously operated. The homes were managed by Highfield Group under a management contract which was terminated as part of the sale agreement. The sale comprised the stock, freehold property equipment, cash floats, receivables and liabilities arising from the management contract.

Results and dividends

The pre-tax profit for the year amounted to £198,606 (2005/6 loss £970,396). The directors do not recommend the payment of a dividend.

Directors

The directors of the Company at the date of this report are listed on page 1. GRL Windle resigned as a director on 31 October 2006 and SC Barratt was appointed on the same date. PJA Dempsey resigned as a director on 10 January 2007 and CCB Rogers was appointed on the same date.

Auditors

The company has elected under the elective regime (s386) to dispense with the obligation to appoint auditors annually and Ernst & Young LLP are deemed to be reappointed.

By order of the board



Director/secretary
2008

12th May

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN
RELATION TO FINANCIAL STATEMENTS**

The following statement, which should be read in conjunction with the auditors' statement of their responsibilities set out on page 4, is made with a view to distinguishing for shareholders the respective responsibilities of the directors and of the auditors in relation to the financial statements

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year 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 the profit or loss for the financial year

The directors consider that in preparing the financial statements on pages 5 to 10 the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all applicable Accounting Standards have been followed. The financial statements have been prepared on a going concern basis

The directors have responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985

The directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

INDEPENDENT AUDITOR'S REPORT

to the members of St. Andrews Homes Limited

We have audited the company's financial statements for the year ended 1 March 2007 which comprise the Profit and Loss Account, Balance Sheet, Accounting Policies and related notes 1 to 17. These financial statements have been prepared on the basis of 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 auditor's 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.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if 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 directors remuneration and transactions with the company is not disclosed.

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

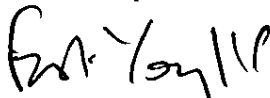
Basis of audit opinion

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 affairs of the company at 1 March 2007 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP
Registered Auditor
Luton
2008



ST. ANDREWS HOMES LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 1 March 2007	Notes	2006/07	2005/06
		£	£
Turnover	2	11,151,473	12,459,721
Cost of sales		(8,667,984)	(9,542,519)
Gross profit		2,483,489	2,917,202
Distribution expenses		-	-
Administrative expenses		(2,346,940)	(3,882,981)
Profit/(loss) before exceptional items		136,549	(965,779)
Exceptional items	3	62,057	-
Profit/(loss) on ordinary activities before interest	2	198,606	(965,779)
Interest	5	-	(4,617)
Profit/(loss) on ordinary activities before taxation		198,606	(970,396)
Taxation	6	33,559	(21,135)
Profit/(loss) for the year	13	232,165	(991,531)

The company ceased trading on 25 January 2007 when the operations were sold to Southern Cross Care Management Limited

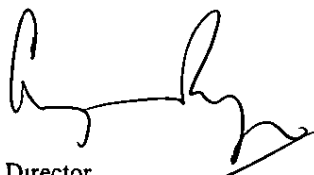
There were no recognised gains or losses in the year other than those reported in the profit and loss account

ST. ANDREWS HOMES LIMITED

BALANCE SHEET

1 March 2007

	Notes	2007 £	2006 £
Fixed assets			
Tangible fixed assets	7	-	-
Investments	8	<u>2</u>	<u>2</u>
		2	2
Current assets			
Debtors	9	-	1,233,160
Cash at bank and in hand		<u>1,321,823</u>	<u>1,249,218</u>
		1,321,823	2,482,378
Creditors - amounts falling due within one year	10	<u>(1,087,725)</u>	<u>(2,434,106)</u>
Net current assets		<u>234,098</u>	<u>48,272</u>
Total assets less current liabilities		234,100	48,274
Provisions for liabilities and charges	11	-	(46,339)
Net assets		<u><u>234,100</u></u>	<u><u>1,935</u></u>
CAPITAL AND RESERVES			
Called up share capital	12	307,133	307,133
Profit and loss account	13	(73,033)	(305,198)
Shareholders' funds	14	<u><u>234,100</u></u>	<u><u>1,935</u></u>



Director

12th May 2008

ST. ANDREWS HOMES LIMITED

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention, and in accordance with applicable Accounting Standards. In accordance with the exemption granted by s228 Companies Act 1985, the company does not prepare consolidated group accounts, as a subsidiary undertaking of a European Economic Area parent company.

Tangible fixed assets

Fixed assets are stated at cost.

Depreciable fixed assets are written off on a straight line basis over their estimated useful lives as follows:

- Freehold land is not depreciated
- Freehold buildings are depreciated to their estimated residual values over periods up to 50 years. Leasehold properties are depreciated to their estimated residual values over the shorter of 50 years, their estimated useful lives and their remaining lease periods.
- Retail furniture, fixtures and equipment are depreciated over 4 to 25 years.
- Motor vehicles are depreciated over 4 to 10 years.

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. Any impairment in the value of the fixed assets below depreciated historical cost is charged to the profit and loss account. Profits and losses on disposal of fixed assets reflect the difference between net selling price and net book value at the date of disposal.

Turnover

Turnover is the value of goods and services sold, within the UK, as part of the company's continuing ordinary activities after deducting sales based taxes.

Leases

Assets acquired under finance lease are capitalised in the balance sheet and depreciated over their useful lives. The interest element is charged to the profit and loss account over the term of the contract. Rental payments in respect of operating leases are charged against operating profit on a straight line basis over the period of the lease.

Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not been reversed by the balance sheet date. Deferred taxation is not recognised when an asset is sold if it is more likely than not that the taxable gain will be rolled over. Deferred taxation assets are recognised to the extent that they are regarded as recoverable. Provisions for deferred taxation are not discounted. Deferred tax assets and liabilities are calculated using the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates that have been enacted or substantively enacted by the balance sheet date.

Cashflow

As permitted by Financial Reporting Standard No 1 (revised) a cashflow has not been prepared as the company is a wholly owned subsidiary of a European Community parent.

Comparative amounts

Comparative amounts are restated where necessary to conform to current presentation.

NOTES TO THE ACCOUNTS**2. PROFIT AND LOSS ACCOUNT DETAILS**

	<u>2006/07</u>	<u>2005/06</u>
	£	£
Operating profit / (loss) is after charging		
Depreciation of tangible fixed assets (see note 7)	14,699	216,219
Operating leases	2,206,509	2,453,639
Audit fees	<u>12,000</u>	<u>12,000</u>

All turnover is derived from the United Kingdom

3. EXCEPTIONAL ITEMS

Profit on disposal of trading operations	<u>62,057</u>	<u>-</u>
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The Company has disposed of its entire business operations and has now ceased trading

4. STAFF COSTS

The company has no direct employees of its own. Staff are provided by Highfield Care Management Ltd who are then recharged. No director received any remuneration from the company during the year.

5. INTEREST

	<u>2006/07</u>	<u>2005/06</u>
	£	£
Interest payable and similar charges		
Bank interest	<u>-</u>	<u>4,617</u>
	<u>-</u>	<u>4,617</u>

6. TAX

	<u>2006/07</u>	<u>2005/06</u>
	£	£
Current tax		
U K Corporation Tax	12,569	21,054
Adjustments to UK Corporation Tax for earlier periods	211	-
Total current tax	<u>12,780</u>	<u>21,054</u>
Deferred tax		
Timing differences	(193,571)	1,426
Adjustment to deferred tax for earlier years	147,232	(1,345)
Total deferred tax	<u>(46,339)</u>	<u>81</u>
Total tax (credit) / charge	<u>(33,559)</u>	<u>21,135</u>
Factors affecting the tax (credit) / charge for the year		
Profit/(loss) before tax	<u>198,606</u>	<u>(970,396)</u>
Tax charge/(credit) at current UK Corporation tax rate of 30% (2005/6 30%)	59,582	(291,119)
Effect of		
Disallowable expenses	-	311,761
Capital Allowances in excess of depreciation	(28,396)	412
Other timing differences	(18,617)	-
Current tax charge for the period	<u>12,569</u>	<u>21,054</u>

ST. ANDREWS HOMES LIMITED

NOTES TO THE ACCOUNTS

7. TANGIBLE FIXED ASSETS

	Retail - Land & buildings £	Retail - Furniture, fixtures & equipment £	Total £
Costs 2 March 2006	290,730	561,613	852,343
Additions	-	183,738	183,738
Disposals	(290,730)	(745,351)	(1,036,081)
Cost 1 March 2007	-	-	-
Depreciation 2 March 2006	(290,730)	(561,613)	(852,343)
Depreciation for the year	-	(14,699)	(14,699)
Disposals	290,730	576,312	867,042
Depreciation 1 March 2007	-	-	-
Net book amounts 2 March 2006	-	-	-
Net book amounts 1 March 2007	-	-	-

8 INVESTMENT IN SUBSIDIARY UNDERTAKINGS

	£
Shares at valuation - 1 March 2007 and 2 March 2006	2

	Principal activities	Country of incorporation or registration	Country of principal operations	% equity holding
St Martins Care Homes Investments Ltd	Care Homes	England	England	100

9 DEBTORS

	2007 £	2006 £
Trade debtors	-	1,015,461
Amounts due from group and parent undertakings	-	-
Prepayments and accrued income	-	206,686
Other debtors	-	11,013
	-	1,233,160

Amounts due from group and parent undertakings have no fixed repayment date

10. CREDITORS - amounts falling due within one year

	2007 £	2006 £
Trade creditors	-	1,284,123
Amounts due to group and parent undertakings	1,075,156	136,448
Other taxes and social security	-	140,385
Corporation tax creditor	12,569	21,054
Accruals and deferred income	-	850,855
Other creditors	-	1,241
	1,087,725	2,434,106

Amounts due to group and parent undertakings have no fixed repayment date

ST. ANDREWS HOMES LIMITED

NOTES TO THE ACCOUNTS

11. PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred Taxation £	Total £
2 March 2006	46,339	46,339
Movement in the year	(46,339)	(46,339)
1 March 2007	-	-

12. SHARE CAPITAL

	Authorised		Allotted, called up and fully paid	
	2007	2006	2007	2006
	£	£	£	£
Ordinary shares of £1 each	1,000,000	1,000,000	307,133	307,133

13. RESERVES

	Profit & loss account £
2 March 2006	(305,198)
Profit retained	232,165
1 March 2007	(73,033)

14. MOVEMENT IN SHAREHOLDERS' FUNDS

	2007 £	2006 £
Shareholders' funds at 2 March 2006	1,935	993,466
Profit/(loss) retained for ordinary shareholders	232,165	(991,531)
Shareholders' funds at 1 March 2007	234,100	1,935

15. LEASE COMMITMENTS

	2007 £	2006 £
Annual payments under operating leases which expire After five years - property	-	2,453,639
	-	2,453,639

16. RELATED PARTIES

The company is a wholly owned subsidiary of Whitbread PLC and has taken advantage of the exemption given in Financial Reporting Standard No 8 not to disclose transactions with other group companies

17. PARENT UNDERTAKING

The company's immediate parent undertaking is Whitbread Hotel Company Limited, registered in England and Wales. It has included the company in its group financial statements, copies of which are available from its registered office: Whitbread Court, Houghton Hall Business Park, Porz Avenue, Dunstable, Bedfordshire LU5 5XE.

The parent undertaking of the largest group of undertakings for which group accounts are drawn up and of which the company is a member is Whitbread PLC, registered in England and Wales. Copies of their accounts can be obtained from its registered office: Whitbread Court, Houghton Hall Business Park, Porz Avenue, Dunstable, Bedfordshire LU5 5XE.