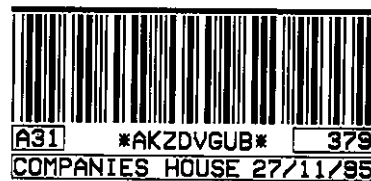


DELVES RETIREMENT HOMES LIMITED

COMPANY NUMBER: 705041

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1995



**REPORT OF THE AUDITORS TO THE DIRECTORS OF
DELVES RETIREMENT HOMES LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements on pages 3 to 5 together with the full financial statements of Delves Retirement Homes Limited under section 226 of the Companies Act 1985 for the year ended 31st March 1995.

Respective responsibilities of directors and auditors

The directors are responsible for preparing abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under section 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31st March 1995, and the abbreviated financial statements on pages 3 to 5 have been properly prepared in accordance with that Schedule.

Other information

On 23rd August, 1995 we reported, as auditors of Delves Retirement Homes Limited, to the members on the full financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31st March, 1995, and our audit report was as follows:

"We have audited the financial statements on pages 4 to 8 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 on page 1 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 misstatements, 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 31st March, 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 that are applicable to small companies".

33 Cliffe High Street
Lewes
East Sussex BN7 2AN

Clark Brownscombe

Clark Brownscombe
Chartered Accountants
& Registered Auditor

Dated: 20th September 1995

DELVES RETIREMENT HOMES LIMITED

BALANCE SHEET

31ST MARCH 1995

	Note	1995 £	1994 £
FIXED ASSETS			
Tangible assets	2	50,001	<u>50,001</u>
CURRENT ASSETS			
Debtors		3,366	3,088
Cash at bank and in hand		<u>26,907</u>	<u>22,551</u>
		30,273	25,639
CREDITORS: Amounts falling due within one year		(<u>91,463</u>)	(<u>91,782</u>)
NET CURRENT ASSETS		(<u>66,190</u>)	(<u>66,143</u>)
TOTAL ASSETS LESS CURRENT LIABILITIES		(<u>11,189</u>)	(<u>16,142</u>)
CAPITAL AND RESERVES			
Called-up share capital	3	2	2
Revaluation reserve	4	50,000	50,000
Other reserves		12,956	12,956
Profit and loss account		(<u>74,147</u>)	(<u>79,100</u>)
		(<u>11,189</u>)	(<u>16,142</u>)

In preparing these abbreviated financial statements, we have relied on the exemptions conferred by Section A of Pt. III of Schedule 8 made under sections 246 and 247 of the Companies Act 1985 on the grounds that the company is entitled to those exemptions as a small-sized company.

Approved by the board on: 13 September 1995

Mark Beddy Director

DELVES RETIREMENT HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31ST MARCH 1995

1 ACCOUNTING POLICIES

(a) Basis of accounting

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

(b) Depreciation

Depreciation is calculated to write off the cost or valuation, less estimated residual values, of tangible fixed assets over their estimated useful lives to the business. The annual depreciation rates and methods are as follows:

Freehold reversion	- No depreciation has been provided on freehold property as the expected residual value at the end of the period of the leases is likely to be higher than the value included in the financial statements.
Equipment	- By annual instalments over the estimated useful life.

(c) Deferred taxation

Provisions are made so that the deferred taxation account represents corporation tax, calculated on the liability method, in respect of the excess of tax allowances given for fixed assets over the depreciation provided.

DELVES RETIREMENT HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31ST MARCH 1995

2 TANGIBLE FIXED ASSETS

	Freehold reversion £	Equipment £	Total £
COST			
At 1st April 1994	50,000	137	50,137
At 31st March 1995	<u>50,000</u>	<u>137</u>	<u>50,137</u>
DEPRECIATION			
At 1st April 1994	-	136	136
At 31st March 1995	<u>-</u>	<u>136</u>	<u>136</u>
NET BOOK VALUE			
At 31st March 1995	<u>50,000</u>	<u>1</u>	<u>50,001</u>
At 31st March 1994	<u>50,000</u>	<u>1</u>	<u>50,001</u>

The freehold reversion is stated at open market value as valued by the Directors. Prior to 1994 this was included in the financial statements at a value of NIL.

3 SHARE CAPITAL

	Number 1995	Value 1995 £	Number 1994	Value 1994 £
Authorised:				
Ordinary shares of 5 pence each	<u>2,000</u>	<u>100</u>	<u>2,000</u>	<u>100</u>
Issued and fully paid:				
Ordinary shares of 5 pence each	<u>40</u>	<u>2</u>	<u>40</u>	<u>2</u>

4 RESERVES

	Revaluation Reserve £	Capital Reserve £
At 31st March 1994	50,000	12,956
At 31st March 1995	<u>50,000</u>	<u>12,956</u>

5 ULTIMATE HOLDING COMPANY

The holding company is John Christie Limited which is incorporated in Great Britain and registered in England and Wales.