

Rider House Limited

Report and Accounts

31 December 1999

Registered Number: 2796826



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Rider House Limited

BALANCE SHEET at 31 December 1999

The directors present their report and the accounts for the year ended 31 December 1999.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the company is that of the operation of nursing homes.

The directors are satisfied with the results for the year and hope the level of business can be maintained. The directors consider the company's financial position at the end of the year to be satisfactory.

DIVIDENDS

The directors do not recommend that a dividend be paid.

DIRECTORS

The directors who served during the year were as follows:

T G Parsons
S M Moxham
S W Galbraith
V A Elms
T P Benson (appointed 20 September 1999)
H J Tytel (appointed 20 September 1999)
M G Ferrel (appointed 20 September 1999)

No director had any interest in the share capital of the company at the year end.

AUDITORS

A resolution to reappoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

Ernst & Young has stated that, during 2001, it is intending to transfer its business to a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000, to be called Ernst & Young LLP. If this happens, it is the current intention of the Directors to use their statutory powers to treat the appointment of Ernst & Young as extending to Ernst & Young LLP.

By order of the board



S M Moxham
Director

Date

20/3/2001

Rider House Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts 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 accounts, 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 accounts 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 accounts 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.

Report of the auditors to the shareholders of Rider House Limited

We have audited the accounts 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 on page 2 the company's directors are responsible for the preparation of accounts in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

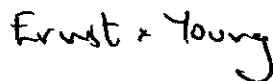
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 December 1999 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst and Young
Registered Auditor
Birmingham

Date 

Rider House Limited

PROFIT AND LOSS ACCOUNT for the period ended 31 December 1999

		<i>Period ended 31 December 1999</i>	<i>Year ended 31 March 1999</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
TURNOVER	2	830,216	1,057,431
Administrative costs		(709,756)	(893,413)
OPERATING PROFIT		120,460	164,018
Investment income		-	1,985
		120,460	166,003
Interest payable		(5)	(454)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	120,455	165,549
Tax on profit on ordinary activities	5	42,526	(48,888)
PROFIT FOR THE FINANCIAL YEAR		77,929	116,661
Retained profit brought forward	10	495,879	379,218
RETAINED PROFITS CARRIED FORWARD	10	573,808	495,879

All the company's operations are continuing.

All recognised gains and losses are included in the profit and loss account.

Rider House Limited

BALANCE SHEET at 31 December 1999

		31 December 1999	31 March 1999
	Notes	£	£
FIXED ASSETS			
Intangible assets	7	194,062	217,350
Tangible assets	8	1,439,439	1,446,048
		<u>1,633,501</u>	<u>1,663,398</u>
CURRENT ASSETS			
Debtors	9	1,319	23,798
Cash at bank		92,831	70,738
		<u>154,150</u>	<u>94,536</u>
CREDITORS: amounts falling due within one year	10	(1,213,743)	(1,261,955)
NET CURRENT LIABILITIES		<u>(1,059,593)</u>	<u>(1,167,419)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>573,908</u>	<u>495,979</u>
CAPITAL AND RESERVES			
Called up share capital	11	100	100
Profit and loss account		573,808	495,879
SHAREHOLDERS' FUNDS	12	<u>573,908</u>	<u>495,979</u>

Approved by the board on 20/3/2000, and signed on its behalf by:

S M Moxham
Director

Date

ERNST & YOUNG

Rider House Limited

NOTES TO THE ACCOUNTS

for the period ended 31 December 1999

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention.

Intangible fixed assets

Purchased goodwill is valued at the fair value of consideration paid less the fair value of the assets obtained at acquisition. Purchased goodwill is amortised over 10 years which is the period over which the directors estimate that benefit will be derived.

Tangible fixed assets

Tangible fixed assets, other than freehold land and buildings, are depreciated so as to write them off over their anticipated useful lives by equal instalments at the following annual rates:

Motor vehicles	20%
Fixtures, fittings and equipment	20%

Freehold land is not depreciated. The directors have reassessed the life of the freehold buildings and consider that, given the high standard of maintenance undertaken, the residual value is such that depreciation is not significant.

Deferred taxation

Deferred taxation is calculated by the liability method and provision is made to the extent that it is probable a liability will crystallise.

TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Turnover and profit on ordinary activities are attributable to the principal activity of the company.

Profit on ordinary activities has been arrived at after charging:

	<i>Period ended 31 December 1999 £</i>	<i>Year ended 31 March 1999 £</i>
Directors' emoluments	21,560	30,023
Auditors' remuneration	2,300	2,300
Depreciation of fixed assets	6,609	8,812
Amortisation of intangible fixed assets	23,288	31,050

3. INVESTMENT INCOME

	<i>Period ended 31 December 1999 £</i>	<i>Year ended 31 March 1998 £</i>
Bank interest receivable	-	1,985

Rider House Limited

NOTES TO THE ACCOUNTS

for the period ended 31 December 1999

4. INTEREST PAYABLE

	<i>Period ended 31 December 1999</i>	<i>Year ended 31 March 1999</i>
	£	£
Bank interest	5	405
Interest on overdue taxation	-	49
	<u>5</u>	<u>454</u>

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	<i>Period ended 31 December 1999</i>	<i>Year ended 31 March 1999</i>
	£	£
Corporation tax	42,526	57,369
Over provision in prior years	-	(8,481)
	<u>42,526</u>	<u>48,888</u>

6. DIRECTORS AND EMPLOYEES

The average number of persons employed by the company during the year was:

	<i>Period ended 31 December 1999</i>	<i>Year ended 31 March 1999</i>
	No.	No.
Nursing staff	114	114
Administration	5	5
	<u>119</u>	<u>119</u>

Staff costs, including directors, were:

	<i>Period ended 31 December 1999</i>	<i>Year ended 31 March 1999</i>
	£	£
Wages and salaries	503,591	657,670
Social security costs	32,531	42,509
	<u>535,822</u>	<u>700,179</u>

Rider House Limited

NOTES TO THE ACCOUNTS

for the period ended 31 December 1999

7. INTANGIBLE FIXED ASSETS

	<i>Purchased goodwill</i> £
Cost:	
At 31 March 1999 and December 1999	310,500
Amortisation:	
At 31 March 1999	93,150
Charge for period	23,288
At 31 December 1999	116,438
Net book value:	
At 31 December 1999	194,062
At 31 March 1999	217,350

8. TANGIBLE FIXED ASSETS

	<i>Motor vehicle</i> £	<i>Freehold land and buildings</i> £	<i>Fixtures, fittings and equipment</i> £	<i>Total</i> £
Cost:				
At 31 March 1999 and 31 December 1999	5,234	1,421,246	280,201	1,706,681
Depreciation:				
At 31 March 1999	5,233	-	255,400	260,633
Charge for year	1	-	6,608	6,609
At 31 December 1999	5,234	-	262,008	267,242
Net book value:				
At 31 December 1999	-	1,421,246	18,193	1,439,439
At 31 March 1999	1	1,421,246	24,801	1,466,048

The freehold land and buildings have been provided as security against a bank loan to a fellow subsidiary undertaking.

Rider House Limited

NOTES TO THE ACCOUNTS

for the year ended 31 December 1999

9. DEBTORS

	<i>31 December</i> 1999	<i>31 March</i> 1999
	£	£
Trade debtors	60,438	23,798
Prepayments and accrued income	881	-
	<u>61,319</u>	<u>23,798</u>

10. CREDITORS: amounts falling due within one year

	<i>31 December</i> 1999	<i>31 March</i> 1999
	£	£
Amount due to group undertakings	1,063,707	1,112,826
Taxation and social security	4,173	13,521
Corporation tax	99,895	57,369
Accruals and deferred income	45,968	78,239
	<u>1,213,743</u>	<u>1,261,955</u>

11. CALLED UP EQUITY SHARE CAPITAL

Authorised, allotted and fully paid

100 ordinary shares of £1 each at 31 March 1999 and 31 December 1999	100	100
	<u>100</u>	<u>100</u>

Rider House Limited

TRADING ACCOUNT

for the year ended 31 December 1999

12. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	<i>31 December</i>	<i>31 March</i>
	<i>1999</i>	<i>1999</i>
	<i>£</i>	<i>£</i>
Profit for the financial year	77,929	116,661
Opening shareholders' funds	495,979	379,318
Closing shareholders' funds	<u>573,908</u>	<u>495,979</u>

13. CONTINGENT LIABILITY

- (i) The company has provided an unlimited bank cross guarantee to the ultimate parent company and other group undertakings. There was no group indebtedness at 31 December 1999.
- (ii) The company has entered into a cross guarantee for a loan made to a fellow subsidiary undertaking.

14. ULTIMATE PARENT COMPANY AND RELATED PARTY

SFX UK Holdings Limited heads the smallest group containing the company for which group accounts are prepared. In the directors' opinion, the company's ultimate parent company and controlling party is SFX Entertainment Inc which is incorporated in the USA. Copies of its group accounts, which include the company, are available from 650 Madison Avenue, New York, NY 10022.

The company has taken advantage of the exemptions conferred by FRS 8 allowing it not to disclose details of transactions with other group companies.