

Exceler Ireland Limited
Annual report and financial statements
for the year ended 27 September 2009

Registered Number: 3135336



Exceler Ireland Limited

Annual report and financial statements for the year ended 27 September 2009

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Exceler Ireland Limited

Directors' report for the year ended 27 September 2009

The directors present their report together with the audited financial statements of the company for the year ended 27 September 2009. The company's registered number is 3135336.

Principal activity

The principal activity of the company during the current and prior year comprised the operation of care homes.

Business review and future developments

The loss for the financial year amounted to £4,000 (2008: loss of £148,000). The directors do not anticipate a change in the company's activities.

The directors have not proposed the payment of a dividend (2008: £nil).

Going concern

The company is a wholly owned subsidiary of Southern Cross Healthcare Group PLC. Southern Cross Healthcare Group PLC has undertaken to provide financial support to the company to the extent necessary for the foreseeable future.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the company are integrated with those of the group and are not identified separately. Further discussion of these risks and uncertainties and of future performance, in the context of the Southern Cross Healthcare Group PLC as a whole, is provided in the group's annual report which does not form part of this report.

Key performance indicators ('KPIs')

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business. The development, performance and position of Southern Cross Healthcare Group PLC, which includes the company, is discussed in the group's annual report which does not form part of this report.

Financial risk management

The company's activities expose it to a variety of financial risks: market risk (including cash flow interest rate risk) and credit risk. Risk management is carried out by the Southern Cross Healthcare Group PLC Risk Management Committee under policies approved by the board of directors.

Cash flow interest rate risk

The company's interest rate risk arises from intercompany borrowings and therefore the risk is considered minimal.

Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash and deposits with banks and financial institutions, as well as credit exposures to residents, including outstanding receivables. For banks and financial institutions, only institutions with a short term credit rating, as determined by Moody's, of P-1 are accepted.

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Directors

The directors, who held office during the year and up to the date of signing the financial statements, were as follows

J Murphy	(Resigned 30 September 2008)
W Colvin	(Resigned 8 October 2008)
A Bailey	(Appointed 5 January 2009, resigned 11 December 2009)
R Midmer	
C Cousins	(Resigned 14 January 2009)
K Foulkes	(Resigned 31 December 2009)
W Buchan	(Appointed 1 January 2009)
D Smith	(Appointed 11 December 2009)

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent, and
- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

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Disclosure of information to Auditors

In accordance with Section 418, directors' reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

By order of the board



W McLeish

Company secretary

22 February 2010

Exceler Ireland Limited

Independent Auditors' report to the members of Exceler Ireland Limited

We have audited the financial statements of Exceler Ireland Limited for the year ended 27 September 2009 which comprise the income statement, the balance sheet, the cash flow statement, the statement of changes in shareholders' deficit, the statement of accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Sections 495 and 496 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 27 September 2009 and of its loss and cash flows for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Exceler Ireland Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Randal Casson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle Upon Tyne
22 February 2010

Exceler Ireland Limited

Income statement for the year ended 27 September 2009

	Note	2009 £'000	2008 £'000
Revenue		4,338	4,130
Home payroll costs	3	(2,502)	(2,214)
Home running costs		(841)	(947)
Home EBITDAR ¹		995	969
Rent		(776)	(777)
EBITDA ²		219	192
Depreciation	5	(149)	(124)
Operating profit	1	70	68
Finance costs	2	(80)	(108)
Loss before taxation		(10)	(40)
Taxation	4	6	(108)
Loss for the year attributable to ordinary shareholders of the company		(4)	(148)

¹ EBITDAR represents earnings before interest, tax, depreciation and rent

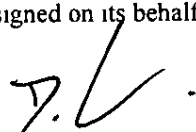
² EBITDA represents earnings before interest, tax and depreciation

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Balance sheet as at 27 September 2009

	Note	2009 £'000	2008 £'000
Assets			
Non-current assets			
Property, plant and equipment	5	692	650
Deferred tax assets	12	20	14
Total non-current assets		712	664
Current assets			
Cash and cash equivalents	6	3	3
Trade receivables	7	96	148
Inventories	8	7	7
Total current assets		106	158
Total assets		818	822
Liabilities			
Current liabilities			
Payables	9	(1,568)	(1,625)
Total current liabilities		(1,568)	(1,625)
Non current liabilities			
Future minimum rental increase accrual	10	(553)	(496)
Total non-current liabilities		(553)	(496)
Total liabilities		(2,121)	(2,121)
Net liabilities		(1,303)	(1,299)
Equity			
Ordinary shares	13	-	-
Accumulated deficit		(1,303)	(1,299)
Total deficit		(1,303)	(1,299)

The financial statements on pages 6 to 22 were approved by the board of directors on 22 February 2010 and signed on its behalf by



D Smith
Director

Exceler Ireland Limited

Cash flow statement for the year ended 27 September 2009

	Note	2009 £'000	2008 £'000
Cash flows from operating activities			
Cash generated from operations	14	271	259
Interest paid		(80)	(108)
Tax paid		-	-
Net cash generated from operating activities		191	151
Cash flows from investing activities			
Purchase of property, plant and equipment		(191)	(150)
Net cash used in investing activities		(191)	(150)
Net increase in cash and cash equivalents		-	1
Opening cash and cash equivalents		3	2
Closing cash and cash equivalents		3	3

Statement of changes in shareholders' deficit

	Ordinary shares £'000	Accumulated deficit £'000	Total deficit £'000
At 1 October 2007	-	(1,151)	(1,151)
Loss for the year attributable to ordinary shareholders	-	(148)	(148)
At 28 September 2008	-	(1,299)	(1,299)
Loss for the year attributable to ordinary shareholders	-	(4)	(4)
At 27 September 2009	-	(1,303)	(1,303)

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Statement of accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These financial statements have been prepared in accordance with EU Endorsed International Financial Reporting Standards ("IFRS"), International Financial Reporting Interpretations Committee ("IFRIC") interpretations and the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared on the going concern basis under the historical cost convention.

From 29 September 2008 the following standards, amendments and interpretations became effective and were adopted by the company:

IAS27	Amendment – Consolidated and separate financial statements
IAS39 and IFRS7	Amendment – Reclassification of financial assets
IFRIC13	Customer loyalty programmes
IFRIC14	The limit on a defined benefit asset, minimum funding requirements and their interaction

The adoption of these amendments and interpretations has not had a significant impact on the company's loss for the year or deficit.

The following standards, amendments and interpretations are not yet effective and have not been adopted early by the company:

IFRS1	Revised – First time adoption of international financial reporting standards
IFRS2	Amendment – Share-based payments: Vesting conditions and cancellations
IFRS2	Amendment – Share-based payments: Group cash-settled share-based payment transaction
IFRS3	Revised – Business combinations
IFRS8	Operating segments
IFRS9	Financial instruments
IAS1	Revised – Presentation of financial statements
IAS1	Amendment – Presentation of financial statements: Puttable Financial Instruments and Obligations Arising on Liquidation
IAS23	Amendment – Borrowing costs
IAS24	Amendment – Related party disclosures
IAS27	Revised – Consolidation and separate financial statements
IAS32	Amendment – Presentation on classification or rights issues
IAS39	Amendment – Eligible hedged items
IFRIC9	Amendment – Embedded derivatives
IFRIC15	Agreements for construction of real estates
IFRIC16	Hedges of a net investment in a foreign operation

Amendments to the following standards arising from the April 2009 Annual Improvements process: IFRS2, IFRS5, IFRS8, IAS1, IAS7, IAS17, IAS18, IAS36, IAS38, IAS39, IFRIC9 and IFRIC16.

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IAS24 Amendment is effective for the company from 1 October 2011 IFRS1 Amendment, IFRS2 Amendment, IAS27 and IAS32 Amendment are effective for the company from 1 October 2010 The other standards, amendments and revisions are effective for the company from 28 September 2009 The adoption of these standards, amendments and interpretations is not expected to have a material impact on the company's losses or deficit The adoptions may affect the disclosures in the company's financial statements

Significant accounting judgements, estimates and assumptions

In order to prepare these financial statements in accordance with the below accounting policies, management has used estimates and judgements to establish the amounts at which certain items are recorded Critical accounting estimates and judgements are those which have the greatest impact on the financial statements and require the most difficult, subjective and complex judgements about matters that are inherently uncertain and are set out below

a) Leases

Assets held under finance leases, which transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at inception of the lease, with a corresponding liability being recognised for the value of the leased asset or, if lower, the present value of the minimum lease payments Assets held under finance leases are depreciated over the shorter of the estimated useful economic life or the lease term

All other leases are considered to be operating leases The land and buildings elements of a lease of land and buildings are considered separately for the purpose of lease classification, with the lease of land normally classified as an operating lease Operating leases and rentals payable are charged in the income statement on a straight-line basis over the lease term where property lease contracts contain guaranteed minimum incremental rental payments, the total committed cost is determined and is calculated and amortised on a straight-line basis over the lease term The charge for rentals currently payable is the actual amount payable, in the period, by the company for its operating leases The charge for future minimum rental increases reflects the impact of recognising future fixed committed rental increases on a straight-line basis over the lease term

Revenue recognition

Revenue comprises the fair value of fee income relating to the provision of care services, net of price reductions directly related to sales Fee income comprises care home fees which are recognised when delivery of service is completed Fees invoiced in advance are included as deferred income until service is completed

The company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the company

Home payroll costs

Home payroll costs represent payroll costs directly incurred at home level

Home running costs

Home running costs represent costs of items directly incurred at home level, including food and kitchen supplies, medical supplies, utilities, maintenance and other running costs of the home

Home EBITDAR

Home EBITDAR represents profitability at a home level after taking account of home payroll and home running costs, but before rental charges on operating leases and depreciation on home assets

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EBITDA

EBITDA represents earnings before interest, tax and depreciation

The company believes that EBITDA (and measures derived therefrom including Home EBITDAR) facilitate operating performance comparisons from period to period by eliminating potential differences caused by variations in capital structures (affecting finance income and costs), tax positions and the age and book depreciation of property, plant and equipment (affecting relative depreciation expense)

Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price of the asset and costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided on all property, plant and equipment at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the balance sheet date, of each asset on a straight line basis over its estimated useful life as follows:

Short leasehold property – over life of lease

Fixtures and fittings – 14% per annum

Computer equipment – 33 1/3% per annum

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are recognised within central costs, in the income statement.

Employee benefit costs

Staff costs comprise salaries and wages for the company's staff.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in first-out (FIFO) method. Where necessary, impairment is made for obsolete, slow moving and defective stocks.

Taxation including deferred tax

The tax expense represents the sum of the current tax and deferred tax.

The current tax is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been in force during the period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from

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the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised. Deferred tax is calculated at the average tax rates that are expected to apply in the period when the liability is settled or the asset is realised.

Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to reserves, in which case the deferred tax is also dealt with in reserves.

Cash and cash equivalents

Cash and cash equivalents includes cash and balances in accounts at no or short notice.

Finance costs

Finance costs include interest and are accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable.

Trade receivables

Trade receivables defined in accordance with IAS 39 are recorded initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment for any doubtful amounts. A provision for impairment of trade receivables is established when there is evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the assets' carrying amount and the present value of future cash flows discounted at the effective interest rate. The movement in the provision is recognised in the income statement.

Any other receivables are recognised at their original amount less an allowance for any doubtful amounts. An allowance is made when collection of the full amount is no longer considered probable.

Payables

Payables comprise amounts owed to group undertakings, which are measured at the best estimate of the expenditure required to settle the obligation.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Fair value estimation

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values.

Financial risk management

The company's activities expose it to a variety of financial risks: market risk (including cash flow interest rate risk) and credit risk. Risk management is carried out by the Southern Cross Healthcare Group PLC Risk Management Committee under policies approved by the board of directors.

Cash flow interest rate risk

The company's interest rate risk arises from intercompany borrowings and therefore the risk is considered minimal.

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Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash and deposits with banks and financial institutions, as well as credit exposures to residents, including outstanding receivables. For banks and financial institutions, only institutions with a short term credit rating, as determined by Moody's, of P-1 are accepted.

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Notes to the financial statements for the year ended 28 September 2009

1 Operating profit

	2009	2008
	£'000	£'000
The following items have been included in arriving at operating profit		
Staff costs (note 3)	2,502	2,214
Depreciation of property, plant and equipment – owned assets	149	124
Operating lease rentals - property	776	777

Audit fees in the current and prior year have been borne by another group company, Southern Cross Healthcare Limited

2 Finance costs

	2009	2008
	£'000	£'000
Interest payable on amounts owed to group undertakings	80	108

3 Employees and directors

The aggregate costs of staff were

	2009	2008
	£'000	£'000
Wages and salaries	2,308	2,032
Social security costs	194	182
	2,502	2,214

The average monthly number of staff employed by the company during the year was as follows

By activity	2009	2008
	Number	Number
Nursing staff	184	185
Administrative staff	7	9
Total staff	191	194

Directors' emoluments in the current and prior year were paid by Southern Cross Healthcare Limited, another group company

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4 Taxation

	2009	2008
	£'000	£'000
Current tax		
– current year	-	-
Deferred tax (note 12)		
– current year	(30)	108
– prior year	24	-
Taxation	(6)	108

The current rate applicable to the company for the year ended 27 September 2009 was 28% (2008 29%)

The tax for the year differs to the standard rate of corporation tax in the UK 28% (2008 29%) The differences are explained below

	2009	2008
	£'000	£'000
Loss before taxation	(10)	(40)
Loss before taxation multiplied by the standard rate of corporation tax in the UK of 28% (2008 29%)	(3)	(12)
<i>Effects of</i>		
Tax losses not recognised	-	122
Rate difference	-	(4)
Expenses not deductible for tax purposes	2	2
Utilisation of tax losses	(29)	-
Adjustments in respect of prior years	24	-
Tax (credit)/charge for the year	(6)	108

A deferred tax asset of £256,000 (2008 £312,000) in relation to losses of £916,000 (2008 £1,113,000) has not been recognised due to uncertainty of future taxable profits

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5 Property, plant and equipment

	Short leasehold property £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost			
At 1 October 2007	188	1,089	1,277
Additions	18	132	150
At 28 September 2008	206	1,221	1,427
Additions	3	188	191
At 27 September 2009	209	1,409	1,618
Accumulated depreciation			
At 1 October 2007	75	578	653
Charge for the year	5	119	124
At 28 September 2008	80	697	777
Charge for the year	6	143	149
At 27 September 2009	86	840	926
Net book amount			
At 27 September 2009	123	569	692
At 28 September 2008	126	524	650

6 Cash and cash equivalents

	2009 £'000	2008 £'000
Cash at bank and in hand	3	3

All cash balances are held by Barclays Bank PLC, whose current credit rating, as determined by Moody's, is P-1

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7 Trade receivables

	2009 £'000	2008 £'000
Trade receivables	102	149
Less provision for impairment of receivables	(6)	(1)
Trade receivables - net	96	148

The fair value of trade receivables is equal to the amounts shown above. The ageing analysis of trade receivables and the associated provision for impairment is shown below.

	2009 Gross value £'000	2009 Provision for impairment £'000	2008 Gross value £'000	2008 Provision for impairment £'000
Not yet due	31	-	45	-
Past due 0-62 days	42	-	61	-
Past due 62-122 days	12	(1)	18	-
Past due 122 days	17	(5)	25	(1)
	102	(6)	149	(1)

The carrying value of trade receivables and other current assets is stated after a provision for impairment of receivables has been made. The provision for impairment for trade receivables is calculated on an individual account by account assessment based on past and current credit history. There is no concern over the credit quality of amounts past due not impaired since the risk is spread over a number of unrelated counterparties which include local Government.

Movements on the provision for impairment of trade receivables are as follows:

	2009 £'000	2008 £'000
Opening provision	(1)	-
Provision for receivables impairment	(5)	(1)
Closing provision	(6)	(1)

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above.

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8 Inventories

	2009 £'000	2008 £'000
Consumables	7	7

9 Payables

	2009 £'000	2008 £'000
Amounts owed to group undertakings	1,568	1,625

Amounts owed to group undertakings are unsecured, repayable upon demand and interest is charged at 5% (2008 7%)

10 Future minimum rental increase accrual

Future minimum rental increase accrual represents the cumulative difference between operating lease charges under IFRS and the amounts actually payable during the year

An analysis of the movement during the year is given below

	2009 £'000	2008 £'000
Opening balance	496	421
Charged to income statement	57	75
Closing balance	553	496

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11 Financial instruments

Numerical financial instruments disclosures are set out below

In accordance with IAS 39, "Financial instruments Recognition and measurement", management has reviewed contracts for embedded derivatives that are required to be separately accounted for if they do not meet certain requirements set out in the standard. No such embedded derivatives were found.

Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below

	2009	2008
	Loans and receivables	Loans and receivables
	£'000	£'000
Assets as per balance sheet		
Cash and cash equivalents	3	3
Trade receivables	96	148
	99	151
	2009	2008
	Other financial liabilities	Other financial liabilities
	£'000	£'000
Liabilities as per balance sheet		
Payables	1,568	1,625

The directors consider that the carrying amount of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

Financial assets and liabilities are denominated in sterling.

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12 Deferred taxation

Deferred tax is calculated in full on temporary differences under the liability method using a tax rate of 28% (2008 28%)

The movement on the deferred tax account is as shown below

	2009 £'000	2008 £'000
Opening balance – asset	14	122
Income and expense credit/(charge)	6	(108)
Closing balance – asset	20	14

The movement in deferred tax assets during the year is shown below

Deferred tax assets	Accelerated capital allowances £'000
At 29 September 2008	14
Income and expense credit	6
At 27 September 2009	20

13 Ordinary shares

	2009 £	2008 £
Authorised share capital		
100 ordinary shares of £1 each	100	100
Allotted and fully paid		
100 ordinary shares of £1 each	100	100

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14 Cash flows from operating activities

Reconciliation of operating profit before taxation to net cash flow from operating activities

	2009	2008
	£'000	£'000
Operating profit	70	68
<i>Adjustments for</i>		
Depreciation	149	124
<i>Changes in working capital</i>		
Decrease in trade receivables	52	17
Decrease in payables	(57)	(25)
Increase in provision for future minimum rental increase accrual	57	75
Cash generated from operating activities	271	259

15 Financial commitments

At 27 September 2009 and 28 September 2008 the company had total commitments under non-cancellable operating leases as follows

	2009	2008
	£'000	£'000
Within one year	778	777
Within one to three years	1,556	1,554
Within three to five years	1,556	1,554
After more than five years	4,672	5,453
	8,562	9,338

Financial commitments, due within one year, under non-cancellable operating leases and analysed by nature of lease terms is included below

	2009	2008
	£'000	£'000
Fixed annual rental increases	778	777

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16 Related party transactions

The majority of the transactions in the current and prior year were funded through the bank account held in Southern Cross Healthcare Limited which is central to the group's treasury activities. The main transactions with group companies are disclosed below.

Year ended 27 September 2009

	Working capital movement increase	Interest paid	Amounts owed to
	£'000	£'000	£'000
Fellow subsidiary undertakings	286	(80)	(1,568)

Year ended 28 September 2008

	Working capital movement increase	Interest paid	Amounts owed to
	£'000	£'000	£'000
Fellow subsidiary undertakings	289	(108)	(1,625)

During the year the company paid management charges of £149,000 (2008: £156,000) to Southern Cross Healthcare Limited.

The key management of the company are deemed to be the Board of Directors who have authority and responsibility for planning and controlling all significant activities of the company.

17 Ultimate parent company

The immediate parent company is Exceler Health Care Group Limited, a company registered in England and Wales.

The ultimate parent undertaking and controlling party is Southern Cross Healthcare Group PLC, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Southern Cross Healthcare Group PLC's consolidated financial statements can be obtained from its registered office.

Southgate House, Archer Street, Darlington, County Durham, DL3 6AH

18 Registered office and domicile

The company's registered office is Southgate House, Archer Street, Darlington, County Durham, DL3 6AH and the company is registered in England and Wales.