

# **Blenheim House Limited**

**Directors' report and financial statements**  
**Period 8 December 1995 (date of incorporation) to**

**31 May 1997**

**Registered number 3136041**



# **Blenheim House Limited**

## **Directors' report and financial statements**

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# Blenheim House Limited

## Directors' report

The directors present their report and the audited financial statements for the period 8 December 1995 (date of incorporation) to 31 May 1997.

## Principal activities

The principal activity of the company during the period under review was the development and management of long term medium secure units for individuals with chronic behavioural problems.

## Business review

The company commenced its activities on 2 January 1996. The company did not trade during the period and accordingly no profit and loss account has been prepared,

## Dividend

No dividend is proposed by the directors for the period under review.

## Directors and their interests

The directors who held office during the period and their interests in the share capital of the company were as follows:

		31 May 1997 * 'B' ordinary shares at 1p each	On date of appointment
MM Bradford	(appointed 16 May 1996)	-	-
KW Phippen	(appointed 16 May 1996, resigned 8 August 1996)	-	-
KCK Scott	(appointed 16 May 1996)	-	-
PH Easterman	(appointed 16 May 1996)	-	-
CJF Pool	(appointed 8 December 1995, resigned 16 May 1996)	750	-
DJ Ewart	(appointed 8 December 1995)	1,800	-
JE Pedley	(appointed 8 December 1995)	2,475	-
J Young	(appointed 8 December 1995)	3,750	-
JA Cunningham	(appointed 8 December 1995)	3,750	-

\* or date of resignation, if earlier

In accordance with the articles of association, no directors retire by rotation.

The interests of MM Bradford, KW Phippen, KCK Scott and PH Easterman in the share capital and share options of Westminster Health Care Holdings PLC, the ultimate parent company and Westminster Health Care Limited, the immediate parent company, are disclosed in the accounts of those companies. None of the other directors had an interest in those companies.

According to the register of directors' interests, no right to subscribe for shares in or debentures of the company were granted to any of the directors or their immediate families or exercised by them during the financial period.

## Statement on payments of suppliers

Legislation introduced requires companies to state their policies on payments to suppliers including any code and standard which is followed in respect thereof. Whilst the company does not follow any specified code or standard on payment practice it does endeavour to ensure all payments are made within mutually agreed credit terms. In cases where disputes arise we seek to resolve these promptly and amicably to minimise delays in payments.

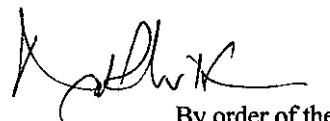
# Blenheim House Limited

## Directors' report (continued)

### Auditors

During the period KPMG Audit Plc were appointed auditors of the company by the directors. In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

48 Leicester Square  
London  
WC2H 7WH  
18 August 1997



By order of the board  
Hillgrove Secretaries Limited  
Secretary

# **Blenheim House Limited**

## **Directors' responsibilities in respect of the preparation of the financial statements**

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements 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 financial statements comply with the Companies Act 1985. They 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.

# **Blenheim House Limited**

## **Report of the auditors, KPMG Audit Plc, to the members of Blenheim House Limited**

We have audited the financial statements on pages 5 to 9.

### **Respective responsibilities of directors and auditors**

As described on page 3, 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 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 company's state of affairs as at 31 May 1997 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG Audit Plc*

KPMG Audit Plc  
Chartered Accountants  
Registered Auditor  
London

*29<sup>th</sup> September 1997*

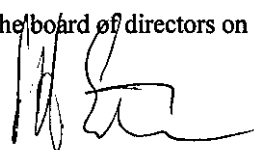
# Blenheim House Limited

## Balance sheet At 31 May 1997

	Notes	1997 £'000	£'000
<b>Fixed assets</b>			
Tangible fixed assets	6		465
<b>Current assets</b>			
Debtors	7	18	
<b>Creditors: amounts falling due within one year</b>	8	(382)	
<b>Net current liabilities</b>			(364)
<b>Total assets less current liabilities</b>			101
<b>Creditors: amounts falling due after more than one year</b>	9		(100)
<b>Total assets</b>			1
<b>Capital and reserves</b>			
Called up share capital	12		1
Profit and loss account	13		-
<b>Equity shareholders' funds</b>			1

Approved by the board of directors on 18 August 1997 and signed on its behalf by:

P Easterman  
Director



The notes on pages 6 to 9 form part of these financial statements.

# Blenheim House Limited

## Notes forming part of the financial statements

### 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules. It is the company's first period of activity and, consequently, no comparatives are presented.

The company is exempt from the requirement of Financial Reporting Standard 1 to prepare a cash flow statement as it is wholly owned subsidiary undertaking of Westminster Health Care Holdings PLC and its cash flows are included within the consolidated cash flow statement of that company.

#### Fixed assets and depreciation

Freehold and long leasehold land and buildings are carried in the financial statements at cost.

The cost of land and buildings includes interest on the capital employed in developments and development costs associated with initiating and monitoring the construction. Such interest is capitalised only until the day of opening of the relevant facility. The rate of interest used is the average cost of funds during the period.

No depreciation has been provided on fixed assets since the company has not yet commenced trading.

#### Operating Leases

Rental charges are charged to the profit and loss account on a straight line basis over the life of the lease.

### 2. Segmental information

The company's net assets are attributable to the one principal activity of the company and arise solely from United Kingdom activities.

### 3. Capitalised costs

The following costs were capitalised during the period:

Auditors remuneration: Audit services

1997  
£'000

3

The auditors' remuneration is disclosed exclusive of VAT.



# Blenheim House Limited

## Notes (continued)

### 4. Remuneration of directors 1997 £'000

Directors emoluments: 77

In addition, fees of £23,500 were paid in respect of directors' services.

All of the above costs were capitalised during the period.

The company made no contributions in respect of directors' services to money purchase pension schemes.

Directors' share options in the company's ultimate parent undertaking, Westminster Health Care Holdings PLC are as shown in the Directors' Report.

MM Bradford, KCK Scott and PH Easterman are members of the group's share option schemes and the group's Restricted Share Scheme.

### 5. Staff numbers and costs 1997 Number of employees

The average number of persons employed by the company (including directors) during the period was as follows: 10

	1997 £'000
Wages and salaries	157
Social security costs	14
	171

All of the above costs were capitalised during the period.

6. Tangible fixed assets	Assets in course of construction £'000	Fixtures and fittings £'000	Total £'000
<b>Cost or valuation</b>			
Additions	462	3	465
At 31 May 1997	462	3	465
<b>Depreciation</b>			
Charge for the period	-	-	-
At 31 May 1997	-	-	-
<b>Net book value</b>			
At 31 May 1997	462	3	465

# Blenheim House Limited

## Notes (continued)

### 7. Debtors

	1997 £'000
Amounts owed by group undertakings	18

### 8. Creditors: amounts falling due within one year

	1997 £'000
Bank overdraft	20
Amount owed to parent company	247
Taxation and social security	19
Other creditors	31
Accruals and deferred income	65
	<u>382</u>

The amount owed to parent company is interest bearing at a rate of 15% per annum

### 9. Creditors: Amount falling due after one year

	1997 £'000
Loans from directors and "B" shareholders	50
Loans from associated companies of "B" shareholders	50
	<u>100</u>

The above loans are interest bearing at a rate of 15% per annum.

### 10. Commitments

Capital commitments at the end of the financial period for which no provision has been made are as follows:

	1997 £'000
Contracted	3,469

# Blenheim House Limited

## Notes (continued)

### 11. Related Party transactions

	For the period £	Unpaid at 31 May 1997 £
Interest bearing loans	347,187	347,187
Loan interest at 15% per annum	35,514	20,514
Pre trading expenses and fixed assets:		
purchased from companies and businesses associated with: Mr J C Cunningham (director)	14,713	1,810
Hillgrove Secretaries Limited	344	344
Fees for services - Hillgrove Secretaries Limited	6,250	-

### 12. Called up share capital

	1997 £
Authorised, allotted and fully paid	
85,000 "A" ordinary shares of 1p each	850
15,000 "B" ordinary shares of 1p each	150
	<u>1,000</u>

The initial share capital of the company was £1,000 divided into 1,000 ordinary shares of £1 each of which two were issued. On 16 May 1996 the shares were subdivided into shares of 1p each and part designated as 85,000 "A" ordinary shares and part as 15,000 "B" ordinary shares. On that date the remainder of the authorised share capital was issued and allotted for payment in cash.

The "A" and "B" ordinary shares have no right to dividends other than these recommended by the directors, have no redemption rights, and have an unlimited right to share in the surplus remaining on a winding up after all liabilities have been satisfied.

The "A" and "B" ordinary shares have one vote per share, except with regard to appointment and removal of directors.

A majority of "A" shareholders may appoint up to six directors and remove any such directors and appoint other directors in place.

Each founder "B" shareholder may appoint one director and remove any such director and appoint another director in place.

Within the meaning of FRS4 'capital instruments' the "A" and "B" ordinary shares are classified as "equity" shares.

### 13. Reconciliation of movements in shareholders' funds

	1997 Share capital £'000	1997 Profit and loss account £'000	1997 Total £'000
Balance at start of period and at 31 May	<u>1</u>	<u>-</u>	<u>1</u>

### 14. Control and ultimate parent company

The company is a subsidiary undertaking of and is controlled by Westminster Health Care Holdings PLC, which is incorporated in England and registered in England and Wales. Westminster Health Care Holdings PLC heads the largest and the smallest higher group of undertakings for which group financial statements are prepared and of which the company is a member. Copies of these financial statements are available to the public and may be obtained from its Company Secretary at 48 Leicester Square London WC2H 7WH.