



Shaw healthcare (Managed Services) Limited

Registered Number : 3315548

Financial Statements

Year Ended 31 March 2006

1 Links Court, Links Business Park, St Mellons, CARDIFF CF3 0LT



Shaw healthcare (Managed Services) Limited
Financial Statements
Year Ended 31st March 2006

Contents	Page No
Officers and Professional Advisors	1
Directors' report	2
Independent Auditors' report	3
Balance Sheet	5
Profit and Loss Account	6
Notes to the Financial Statements	7

Shaw healthcare (Managed Services) Limited
Officers and Professional Advisors
Year Ended 31st March 2006

Directors	P J Nixey, MA (Oxon) A Thomas, BA, FCA Dr E J Muir, MSc(Econ), DipED, McInstM, McInstSM A C Savery, AIQS W J P Witter, MA, (Oxon), Solicitor J StJ Foulger, FCA
Secretary	P J Nixey, MA (Oxon)
Deputy Secretary	W J P Witter, MA, (Oxon), Solicitor
Registered Office	1 Links Court Links Business Park St. Mellons Cardiff CF3 0LT
Auditors	HWCA Limited Chartered Accountants & Registered Auditors Pagefield House 24 Gold Tops Newport South Wales NP20 4PG
Bankers	Allied Irish Bank 2 Callaghan Square Cardiff CF10 5AZ
Solicitors	Eversheds Solicitors 1 Callaghan Square Cardiff CF10 5BT Morgan Cole Bradley Court Park Place Cardiff CF10 3DP

**Directors' report to the members of
Shaw healthcare (Managed Services) Limited
Year Ended 31st March 2006**

Principal activities

The Company's principle activity during the year was that of providing management services.

The profit and loss account for the year is set out on page 6.

The profit for the year before taxation was £5,331 (2005: £1,733).

Dividends and transfers to reserves

The directors do not recommend a dividend for the year.

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements 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 financial statements the directors are required to select suitable accounting policies, as described on page 7 and then apply them consistently, making judgments and estimates that are reasonable and prudent. The directors must also 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 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.

In so far as the directors are aware:

there is no relevant audit information which the company's auditors are unaware; and

the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

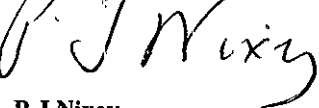
Directors

The directors who held office during the year were: P J Nixey, A Thomas, Dr E J Muir, A C Savery, W J P Witter and J StJ Foulger. None of the directors had any interest in the ordinary share capital of the company. The directors had no beneficial interest in the share capital of the ultimate parent company, Shaw healthcare (Homes) Limited.

Taxation status

The company is a close company under the provisions of the Taxes Act.

BY ORDER OF THE BOARD



P J Nixey
Secretary

Date 21/7/06

Shaw healthcare (Managed Services) Limited
Independent Auditors' report to the shareholders
Year ended 31st March 2006

We have audited the financial statements on pages 5 - 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditors' 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Directors and the Auditors

As described on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

It is our responsibility to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 Opinion

We conducted our audit in accordance with United Kingdom 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 judgments 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.

Shaw healthcare (Managed Services) Limited
Independent Auditors' report to the shareholders (continued)
Year ended 31st March 2006

Opinion

In our opinion:

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st March 2006 and of the profit of the company for the year then ended;

the financial statements have been properly prepared in accordance with the Companies Act 1985; and

the information given in the Directors' Report is consistent with the financial statements for the year ended 31 March 2006.

HWCA Limited

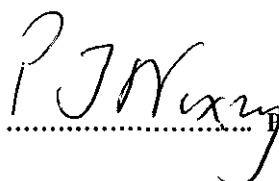
HWCA Limited
Chartered Accountants &
Registered Auditors
Pagefield House
24 Gold Tops
Newport NP20 4PG

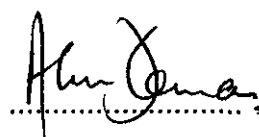
Date: *26th July 2006*

Shaw healthcare (Managed Services) Limited
Balance Sheet
As at 31st March 2006

	Notes	2006		2005	
		£	£	£	£
Current assets					
Debtors					
Falling due within one year	5	10,326		123,057	
Cash at Bank and in Hand		145,697		141,171	
		156,023		264,228	
Creditors: Amounts falling due within one year	6	(48,315)		(160,568)	
Net current assets			107,708		103,660
Capital and reserves					
Share Capital	7		100,000		100,000
Revenue Reserves	8		7,708		3,660
Shareholders funds	9		107,708		103,660

These financial statements were approved by the directors on 21st July 2006 and were signed on their behalf by


..... P J Nixey (Director)


..... A Thomas (Director)

The notes on pages 7 to 9 form part of these financial statements

Shaw healthcare (Managed Services) Limited
Profit and Loss Account
Year Ended 31st March 2006

	Notes	2006 £	2005 £
Turnover		1,402,215	569,512
Operating Costs		(1,401,808)	(570,959)
Operating Profit / (Loss)	3	407	(1,447)
Interest Receivable		4,924	3,180
Profit for the year before taxation		5,331	1,733
Taxation	4	(1,283)	(214)
Profit for the year after taxation		4,048	1,519
		2006 £	2005 £
Retained Reserves at 1st April 2005		3,660	2,141
Retained profit for the year		4,048	1,519
Surplus on reserves at 31st March 2006	8	7,708	3,660

The company has no recognised gains or losses for the period apart from those shown in the profit and loss account.

All amounts relate to continuing activities.

The notes on pages 7 to 9 form part of these financial statements.

Shaw healthcare (Managed Services) Limited
Notes to the Financial Statements
Year ended 31st March 2006

1. Principal Accounting Policies

a) Basis of Accounting

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom and the Companies Act 1985. A summary of the more important accounting policies, which have been applied consistently, is set out below.

The financial statements are prepared in accordance with the historical cost convention.

b) Deferred Taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred is accounted for in respect of all material timing differences.

2. Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the period, exclusive of Value Added Tax.

3 Operating profit

	2006 £	2005 £
Operating profit is stated after charging :		
Auditors remuneration	876	850

4 Taxation

	2006 £	2005 £
Group relief	1,283	214
	1,283	214
Factors affecting the charge for the year:		
Profit on ordinary activities before tax	5,331	1,733
Profit on ordinary activities multiplied by the standard companies rate of corporation tax of 30% (2005 :30%)	1,599	520
Adjustments relating to prior year	56	
Utilisation of brought forward losses	(122)	-
Small companies rate adjustment	(250)	(306)
	1,283	214

Shaw healthcare (Managed Services) Limited
Notes to the Financial Statements (continued)
Year Ended 31st March 2006

5 Debtors: amounts falling due within one year

	2006 £	2005 £
Amounts due from group companies	-	113,064
Other debtors	9,435	9,102
Trade Debtors	891	891
	<u>10,326</u>	<u>123,057</u>

6 Creditors : Amounts falling due within one year

	2006 £	2005 £
Due to other group companies	1,561	126,420
Other Creditors	1,204	2,644
Trade Creditors	-	294
Corporation tax	-	216
VAT due	45,550	30,994
	<u>48,315</u>	<u>160,568</u>

7 Share Capital

	2006 £	2005 £
<u>Authorised :- 100,000 Ordinary shares of £1 each</u>	<u>100,000</u>	<u>100,000</u>
<u>Issued and fully paid :- 100,000 Ordinary shares of £1 each</u>	<u>100,000</u>	<u>100,000</u>

The company is a wholly owned subsidiary of Shaw healthcare (Homes) Ltd.

Shaw healthcare (Managed Services) Limited
Notes the Financial Statements (continued)
Year Ended 31st March 2006

8 Revenue Reserves

	2006	2005
	£	£
At 1st April 05	3,660	2,141
Retained profit for the year	4,048	1,519
At 31st March 06	7,708	3,660

9 Reconciliation of movement in shareholders' funds

	2006	2005
	£	£
Opening shareholders' funds as at 1 April 2005	103,660	102,141
Retained profit for the year after taxation	4,048	1,519
Closing shareholders' funds as at 31 March 2006	107,708	103,660

10 Related party transactions

The company takes exemption from the reporting of related party transactions under FRS 8 'Reporting of related party transactions' as a wholly owned subsidiary of Shaw healthcare (Homes) Limited: whose accounts are available from the Company Secretary, 1 Links Court, Links Business Park, St Mellons, Cardiff.

11 Parent company

The ultimate parent company is Shaw healthcare (Homes) Limited, a Friendly Society incorporated under the Industrial and Provident Societies Acts 1965-2002.

12 Post balance sheet event

On 5th April 2006, the current holding company, Shaw healthcare (Homes) Limited, contracted to transfer its investments in this company to a new holding company, Shaw healthcare (Group) Limited, as part of a group restructure. Subject to satisfaction of conditions precedent, the transfer is anticipated to complete on 1st October 2006.