

**Company Registration No. 3519503**

**CMG Homes Limited**

**Report and Financial Statements**

**28 February 2005**



# **CMG Homes Limited**

## **Report and financial statements 2005**

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# **CMG Homes Limited**

## **Report and financial statements 2005**

### **Officers and professional advisers**

#### **Directors**

D R Blackman  
W M Buckingham  
R Marson  
R Perry (appointed 16 August 2004)  
K F Ford (appointed 16 August 2004)

#### **Secretary**

D R Blackman

#### **Registered Office**

The Pointe  
89 Hartfield Road  
Wimbledon  
London  
SW19 3TJ

#### **Bankers**

Barclays Bank Plc  
Luton Corporate Banking Centre  
P O Box 729  
Eagle Point  
1 Capability Green  
Luton  
Bedfordshire  
LU1 3US

#### **Auditors**

Deloitte & Touche LLP  
Chartered Accountants  
Reading

# **CMG Homes Limited**

## **Directors' report For the year ended 28 February 2005**

The directors present their annual report and the audited financial statements of the company and group for the year ended 28 February 2005.

### **Principal activities**

The principal activity of the company during the year was that of provision of agency services on behalf of its parent company.

### **Results and dividends**

The results for the year and the financial position of the company are as shown in the attached financial statements.

The directors do not recommend the payment of a dividend (2004: £nil). The company's profit for the financial year is £2,166 (2004: loss of £2,348), which has been taken to reserves.

### **Future prospects**

The directors expect the company to continue trading at a similar level in the forthcoming year.

### **Directors and their interests**

The directors who held office during the year and since the year end are given below:

D R Blackman  
W M Buckingham  
R L Marson  
R Perry  
K F Ford

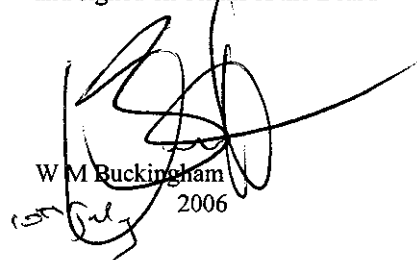
(appointed 16 August 2004)  
(appointed 16 August 2004)

The directors' interests in the shares of the company's ultimate parent undertaking, Care Management Group (UK) Limited, are disclosed in that company's accounts. No director had any interests in the shares of the company at the end of the year.

### **Auditors**

Deloitte & Touche LLP were appointed as auditors during the year. Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board

  
W M Buckingham  
2006

## **CMG Homes Limited**

### **Statement of directors' responsibilities**

United Kingdom 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 as at the end of the financial year 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 and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; 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 are also responsible for the system of internal control, safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent auditors' report to the members of CMG Homes Limited**

We have audited the financial statements of CMG Homes Limited for the year ended 28 February 2005 which comprise the profit and loss account, the balance sheet, and the related notes 1 to 13. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

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

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

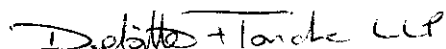
### **Basis of opinion**

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 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 state of the company's affairs as at 28 February 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Deloitte & Touche LLP**

Chartered Accountants and Registered Auditors

Reading

12 July 2006

## CMG Homes Limited

### Profit and loss account

For the year ended 28 February 2005

	Note	2005 £	2004 £
<b>Turnover</b>		2,339,373	2,164,359
Administrative expenses		(2,336,244)	(2,193,430)
Other operating income		-	26,696
<b>Operating profit/(loss)</b>	2	3,129	(2,375)
Interest receivable and similar income		-	27
Interest payable and similar charges	3	(35)	-
Profit/(loss) on ordinary activities before taxation		3,094	(2,348)
Tax on profit/(loss) on ordinary activities	4	(928)	-
<b>Retained profit/(loss) for the financial year</b>	9	2,166	(2,348)

There is no difference between the profit/(loss) on ordinary activities before taxation and the profit/(loss) for the financial year stated above and their historical cost equivalents.

The company has no recognised gains and losses in the current or preceding year other than the results for the year as included above. Accordingly no statement of total recognised gains and losses has been presented.

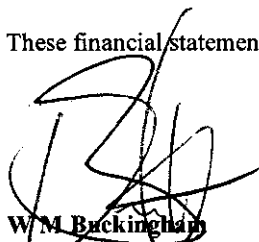
All of the activities of the company are classed as continuing.

# CMG Homes Limited

## Balance sheet 28 February 2005

	Note	2005 £	2004 £
<b>Current assets</b>			
Cash at bank		223,493	181,982
Debtors: amounts falling due in more than one year	5	127,483	-
		<u>350,976</u>	<u>181,982</u>
Creditors: amounts falling due within one year	6	(225,124)	(91,976)
<b>Net current assets</b>		<u>125,852</u>	<u>90,006</u>
Creditors: amounts falling due in more than one year	6	(121,106)	(87,426)
<b>Net assets</b>		<u><u>4,746</u></u>	<u><u>2,580</u></u>
<b>Capital and reserves</b>			
Called up share capital	8	1,000	1,000
Profit and loss account	9	3,746	1,580
<b>Equity shareholder's funds</b>	10	<u><u>4,746</u></u>	<u><u>2,580</u></u>

These financial statements were approved by the Board of Directors and were signed on its behalf by:

  
**W.M. Buckingham**  
 Director  
 10 July 2006



# **CMG Homes Limited**

## **Notes to the accounts**

### **Period ended 28 February 2005**

#### **1. Accounting policies**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom. The particular accounting policies adopted are described below. The accounting policies have been consistently applied in the current and preceding year.

##### **Cash flow statement**

The company is a wholly-owned subsidiary of Care Management Group (UK) Limited and is included in the consolidated financial statements of that company, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996).

##### **Turnover and costs**

CMG Homes Limited acts as an invoicing agent for Care Management Group Limited, utilising resources provided by Care Management Group Limited. CMG Homes Limited also leases a number of properties which it makes available to Care Management Group Limited by way of a License to Occupy, in order for Care Management Group Limited to trade from those properties.

The turnover shown in the profit and loss account represents amounts invoiced during the year to its parent company for agency services provided.

All turnover arises in the United Kingdom and relates to a single activity.

All costs incurred are treated as administrative expenses.

##### **Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

##### **Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

# CMG Homes Limited

## Notes to the accounts

Period ended 28 February 2005

### 2. Operating profit/(loss)

	2005 £	2004 £
<b>Operating profit/(loss) is stated after charging:</b>		
Operating lease costs:		
- Other	2,272,160	2,164,359

Auditors' remuneration is borne by the company's parent company, Care Management Group Limited, and is not recharged.

Other than the directors, the company had no employees. The directors received remuneration paid by Care Management Group Limited in respect of their services to group companies. The portion that relates to the company is £nil (2004: £nil).

### 3. Interest payable and similar charges

	2005 £	2004 £
Bank interest payable	35	-

### 4. Taxation

#### (a) Analysis of tax charge in the period

	2005 £	2004 £
<b>Current tax:</b>		
Corporation tax charge at 30% (2004: 30%)	928	-

#### (b) Factors affecting current tax charge for the period:

	2005 £	2004 £
Profit/(loss) on ordinary activities before taxation	3,094	(2,348)
At standard rate of 30% (2004: 30%)	928	(704)
Group relief surrendered for which no payment receivable	-	704
Current tax charge for the period	928	-

# CMG Homes Limited

## Notes to the accounts Period ended 28 February 2005

### 5. Debtors: amounts falling due in more than one year

	2005 £	2004 £
Amounts owed by group undertakings	<u>127,483</u>	<u>-</u>

### 6. Creditors

	2005 £	2004 £
<b>Amounts falling due within one year</b>		
Trade creditors	28,341	24,834
Corporation tax	928	-
Accruals and deferred income	<u>195,855</u>	<u>67,142</u>
	225,124	91,976
<b>Amounts falling due in more than one year</b>		
Amounts owed to group undertakings	<u>121,106</u>	<u>87,426</u>
	<u>346,230</u>	<u>179,402</u>

### 7. Commitments under operating leases

At 28 February 2005 the company had annual commitments under non-cancellable operating leases as set out below:

	<b>Land and buildings</b>	
	2005 £	2004 £
On operating leases which expire:		
After more than five years	<u>1,942,639</u>	<u>2,164,359</u>

### 8. Called up share capital

	2005 £	2004 £
<b>Authorised:</b>		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Called up, allotted and fully paid</b>		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

# CMG Homes Limited

## Notes to the accounts

### Period ended 28 February 2005

#### 9. Profit and loss account

	2005 £	2004 £
At 29 February 2004	1,580	3,928
Profit/(loss) for the year	2,166	(2,348)
At 28 February 2005	<u>3,746</u>	<u>1,580</u>

#### 10. Reconciliation of movements in equity shareholder's (deficit)/funds

	2005 £	2004 £
Profit/(loss) for the financial year	2,166	(2,348)
Opening equity shareholder's funds	2,580	4,928
Closing equity shareholder's funds	<u>4,746</u>	<u>2,580</u>

#### 11. Related party transactions

The company has taken advantage of the exemption permitted by FRS8, available to 90% or more subsidiary undertakings where the consolidated financial statements of that group are publicly available, not to disclose transactions with other group companies within these financial statements.

#### 12. Contingent liabilities

The company is party to cross guarantees for the bank debts due by all companies within the Care Management Group (UK) Limited group. Total amounts due as at 28 February 2005 amounted to £32,926,735 (2004: £9,450,000).

#### 13. Ultimate parent company and controlling party

The ultimate parent undertaking is Care Management Group (UK) Limited, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the accounts of Care Management Group (UK) Limited may be obtained from The Pointe, 89 Hartfield Road, Wimbledon, London, SW19 3TJ.

71% of the ordinary share capital of Care Management Group (UK) Limited is held by ISIS Equity Partners plc funds, who are collectively considered to be the ultimate controlling party.