

Alpine Health Care Limited

FINANCIAL STATEMENTS

for the year ended

31 March 2009



Alpine Health Care Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

C Blacknell
E Craig
G Cunningham
K Foxall
K Taylor
L Thomas
S Watson
S Cunningham

SECRETARY

T Clarkson

REGISTERED OFFICE

Ferham House
Kimberworth Road
Rotherham
South Yorkshire
S61 1AJ

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
and Registered Auditor
2 Whitehall Quay
Leeds
LS1 4HG

Alpine Health Care Limited

DIRECTORS' REPORT

The directors submit their report and financial statements of Alpine Health Care Limited for the year ended 31 March 2009.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of administrator and operator of a nursing home.

REVIEW OF THE BUSINESS

The company's balance sheet, as detailed on page 6 shows a satisfactory position, with shareholders' funds amounting to £833,707.

RESULTS AND DIVIDENDS

The profit for the year amounted to £222,840.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The directors do not operate any policies with regard to the hedging of transactions as such techniques are felt to be unnecessary given the company's business structure. The directors do not consider that the company is in any material way exposed to risks arising from price, credit, liquidity and cash flow.

DIRECTORS

The directors who served the company during the year were as follows:

C Blacknell	
E Craig	
G Cunningham	
K Foxall	
K Taylor	
L Thomas	(appointed 3 April 2008)
S Watson	(appointed 3 April 2008)
S Cunningham	(appointed 3 April 2008)


STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITOR

A resolution to re-appoint Baker Tilly UK Audit LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

By order of the board



T Clarkson
Company Secretary

19 August 2009

Alpine Health Care Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. 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 that 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 requirements of 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF ALPINE HEALTH CARE LIMITED

We have audited the financial statements on pages 5 to 12.

This report is made solely to the company's member, 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 member those matters we are required to state to the member in an auditor's 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 member for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is 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, and whether the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, 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 other transactions is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs at 31 March 2009 and of its profit for the year then ended and 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.

Baker Tilly UK Audit LLP

BAKER TILLY UK AUDIT LLP
Registered Auditor
Chartered Accountants
Leeds

19 August 2009

Alpine Health Care Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 March 2009

	<i>Notes</i>	2009 £	2008 £
TURNOVER	1	1,464,357	1,445,444
Other operating income	2	3,043	3,043
OPERATING COSTS			
Raw materials and consumables		(88,399)	(81,610)
Staff costs	4	(872,470)	(853,147)
Depreciation written off fixed assets	6	(35,512)	(22,798)
Other operating charges		<u>(247,797)</u>	<u>(257,946)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	223,222	232,986
Taxation	5	(382)	(4,952)
PROFIT FOR THE FINANCIAL YEAR		<u>222,840</u>	<u>228,034</u>

The profit for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

Alpine Health Care Limited

BALANCE SHEET

31 March 2009

	Notes	2009 £	2008 £
FIXED ASSETS			
Tangible assets	6	<u>120,597</u>	<u>121,548</u>
CURRENT ASSETS			
Debtors	7	855,452	499,402
Cash at bank		<u>54,427</u>	<u>178,312</u>
		909,879	677,714
CREDITORS			
Amounts falling due within one year	8	<u>(190,049)</u>	<u>(177,356)</u>
NET CURRENT ASSETS		<u>719,830</u>	<u>500,358</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>840,427</u>	<u>621,906</u>
CREDITORS			
Amounts falling due after more than one year	9	<u>(3,044)</u>	<u>(6,087)</u>
		837,383	615,819
PROVISIONS FOR LIABILITIES			
Deferred taxation	11	<u>(3,676)</u>	<u>(4,952)</u>
NET ASSETS		<u>833,707</u>	<u>610,867</u>
CAPITAL AND RESERVES			
Called up equity share capital	12	1	1
Profit and loss account	13	<u>833,706</u>	<u>610,866</u>
SHAREHOLDER'S FUNDS	14	<u>833,707</u>	<u>610,867</u>

These financial statements on pages 5 to 12 were approved by the directors and authorised for issue on 19 August 2009 and are signed on their behalf by:



E Craig

Alpine Health Care Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

CASH FLOW STATEMENT

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

TURNOVER

The turnover shown in the profit and loss account represents the value of care services provided, based on the level of care required. Turnover is recognised at the point these care services are provided.

FIXED ASSETS

All fixed assets are initially recorded at cost.

DEPRECIATION

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Short Leasehold Property	- 10% straight line
Fixtures & Fittings	- 25% reducing balance

OPERATING LEASE AGREEMENTS

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.

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Alpine Health Care Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2009

1 TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2009 £	2008 £
United Kingdom	<u>1,464,357</u>	<u>1,445,444</u>

2 OTHER OPERATING INCOME

	2009 £	2008 £
Grants receivable	<u>3,043</u>	<u>3,043</u>

3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging:

	2009 £	2008 £
Depreciation of owned fixed assets	35,512	22,798
Auditor's remuneration - as auditor	3,500	-
Operating lease costs: land and buildings	<u>104,906</u>	<u>101,915</u>

4 PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2009 No	2008 No
Nursing	79	87
Administration	<u>3</u>	<u>3</u>
	<u>82</u>	<u>90</u>

The aggregate payroll costs of the above were:

	2009 £	2008 £
Wages and salaries	815,035	795,588
Social security costs	<u>57,435</u>	<u>57,559</u>
	<u>872,470</u>	<u>853,147</u>

Alpine Health Care Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2009

4 PARTICULARS OF EMPLOYEES *(continued)*

Directors' Remuneration

No remuneration was receivable by the directors in respect of services provided to this company.

5 TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the period

	2009 £	2008 £
Current tax:		
UK corporation tax on profits of the year at 28% (2008: 30%)	1,658	-
Total current tax	1,658	-
Deferred tax:		
Origination and reversal of timing differences		
-In respect of prior periods	-	1,641
-current year	(1,276)	3,311
Tax on profit on ordinary activities	382	4,952
Factors affecting current tax charge		
	2009 £	2008 £
Profit on ordinary activities before taxation	223,222	232,986
Profit on ordinary activities by rate of tax in the UK of 28% (2008: 30%)	62,502	69,896
Expenses disallowed for tax purposes	-	2,488
Capital allowances in excess of depreciation	-	(3,547)
Depreciation in excess of capital allowances	1,276	-
Group loss relief	(42,840)	(68,837)
Adjustments for transfer pricing	(18,728)	-
Small companies rate relief	(552)	-
Total current tax	1,658	-

Alpine Health Care Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2009

6 TANGIBLE FIXED ASSETS

	Short Leasehold Property £	Fixtures & Fittings £	Total £
Cost			
At 1 April 2008	11,179	163,619	174,798
Additions	-	34,561	34,561
At 31 March 2009	<u>11,179</u>	<u>198,180</u>	<u>209,359</u>
Depreciation			
At 1 April 2008	7,825	45,425	53,250
Charge for the year	1,118	34,394	35,512
At 31 March 2009	<u>8,943</u>	<u>79,819</u>	<u>88,762</u>
Net book value			
At 31 March 2009	<u>2,236</u>	<u>118,361</u>	<u>120,597</u>
At 31 March 2008	<u>3,354</u>	<u>118,194</u>	<u>121,548</u>

7 DEBTORS

	2009 £	2008 £
Trade debtors	57,185	38,189
Amounts owed by group undertakings	782,493	430,619
Prepayments and accrued income	15,774	30,594
	<u>855,452</u>	<u>499,402</u>

8 CREDITORS: Amounts falling due within one year

	2009 £	2008 £
Trade creditors	79,030	75,015
Corporation tax	1,658	-
Other taxation and social security	16,821	18,570
Other creditors	56,765	59,428
Accruals and deferred income	35,775	24,343
	<u>190,049</u>	<u>177,356</u>

9 CREDITORS: Amounts falling due after more than one year

	2009 £	2008 £
Deferred income	<u>3,044</u>	<u>6,087</u>

Alpine Health Care Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2009

10 COMMITMENTS UNDER OPERATING LEASES

At 31 March 2009 the company had annual commitments under non-cancellable operating leases as set out below.

	Land and buildings	
	2009	2008
	£	£
Operating leases which expire:		
After more than 5 years	<u>109,102</u>	<u>104,340</u>

11 DEFERRED TAXATION

	2009	2008
	£	£
The movement in the deferred taxation account during the period was:		
Balance brought forward	4,952	-
Profit and loss account movement arising during the period	(1,276)	4,952
Balance carried forward	<u>3,676</u>	<u>4,952</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	2009	2008
	£	£
Capital allowances in excess of depreciation	<u>3,676</u>	<u>4,952</u>
	<u>3,676</u>	<u>4,952</u>

12 SHARE CAPITAL

	2009	2008
	£	£
Authorised:		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	2009	2008
	£	£
Allotted, called up and fully paid:		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

13 PROFIT AND LOSS ACCOUNT

	2009	2008
	£	£
At 1 April 2008	610,866	382,832
Retained profit for the financial year	222,840	228,034
At 31 March 2009	<u>833,706</u>	<u>610,866</u>

Alpine Health Care Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2009

14 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £	2008 £
Profit for the financial year	222,840	228,034
Opening shareholder's funds	610,867	382,833
Closing shareholder's funds	<u>833,707</u>	<u>610,867</u>

15 GUARANTEES AND OTHER FINANCIAL COMMITMENTS

The company is party to a guarantee and debenture with its fellow subsidiaries, Athorpe Health Care Limited, Cherry Health Care Limited, EHC Services Limited, Longley Health Care Limited and Wheldon Health Care Limited. This effectively gives a fixed and floating charge over all the companies' assets to secure property leases amounting to £1,246,443 (2008: £1,041,249) per annum.

16 ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of Exemplar Health Care Limited, which itself wholly owned subsidiary of Goldcrest Capital Investments Limited. Both of those companies are incorporated in England and Wales.

Group accounts are prepared by the group headed by Goldcrest Capital Investments Limited and copies can be obtained from Ferham House, Kimberworth Road, Masborough, Rotherham, S61 1AJ.

As a subsidiary of Goldcrest Capital Investments Limited, the company has taken advantage of the exemption in FRS 8 'Related party disclosures' from disclosing transactions with other members of the group headed by Goldcrest Capital Investments Limited.

The directors do not consider that the company has an ultimate controlling party, in view of the disposition of shares in Goldcrest Capital Investments Limited.