

REGISTERED NUMBER: 05255132 (England and Wales)

Abbreviated Accounts
for the Year Ended 31 March 2011
for
Raphael Health Care Ltd

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Raphael Health Care Ltd

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for the Year Ended 31 March 2011

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Raphael Health Care Ltd

Company Information
for the Year Ended 31 March 2011

DIRECTORS: John Thomas Lamb
Arthur Laurence Robinson
Roderick Gruffydd Morris

SECRETARY: Roderick Gruffydd Morris

REGISTERED OFFICE: Briars Hey
Mill Lane
Rainhill
Liverpool
Merseyside
L35 6NE

REGISTERED NUMBER: 05255132 (England and Wales)

AUDITORS: McEwan Wallace
Chartered Accountants
Statutory Auditor
68 Argyle Street
Birkenhead
CH41 6AF

SOLICITORS: Hill Dickinson LLP
No 1 St Paul's Square
Liverpool
L3 9SJ

Raphael Health Care Ltd

Report of the Directors
for the Year Ended 31 March 2011

The directors present their report with the accounts of the company for the year ended 31 March 2011

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of individualised care and active rehabilitation for women with mental health and complex forensic needs

REVIEW OF BUSINESS

The company has continued to experience good levels of occupancy in its fourth full year of trading and continues to be a preferred provider to the East and West Midlands Commissioning teams as well as the Yorkshire and Humber Commissioning team. This continued growth has seen turnover grow from £7.39m to £7.8m, an increase of 5.5% and operating profit grow from £1.675m to £1.941m an increase of 15.9%. Most of the growth in turnover and operating profit came from the additional 5 rehabilitation beds which were registered in May 2010 and began to be occupied from June 2010. The company has continued to experience some downward pressure on fee rates as the NHS and Commissioning teams seek to drive down costs.

During the year the company has continued to evaluate a number of options for the Briars Hey site. In the forthcoming months the company intends submitting a new planning application which will focus on the top part of the site.

The company have assessed what they consider to be the main risks the company faces. This assessment covered the normal risks expected for a company of this size and nature, including market competition, clinical risk and recruitment and retention of staff. The Directors believe there are adequate systems in place to mitigate these risks.

The company continues to make use of a number of key performance indicators to monitor the efficiency and effectiveness of the organisation. In terms of financial performance indicators, the company monitors carefully its overdue debt, debtor day trends and its bank covenants. In terms of operational performance, the company monitors average occupancy levels, staff turnover, staff patient ratios, sickness and absence ratios as well as Serious Untoward Incidents (SUI's). The company is now subject to a regime of CQUINN operational performance targets which have been implemented by the local Commissioning groups and which are monitored quarterly.

The company is satisfied with the positive trends in relation to patient occupancy levels which have led to a growth in turnover, gross and operating profit margins.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2011.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2010 to the date of this report.

John Thomas Lamb
Arthur Laurence Robinson
Roderick Gruffydd Morris

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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). 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,
- 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director 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.

AUDITORS

The auditors, McEwan Wallace, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Rodenck Gruffydd Morris - Director

27 September 2011

Report of the Independent Auditors to
Raphael Health Care Ltd
Under Section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages five to twenty, together with the full financial statements of Raphael Health Care Ltd for the year ended 31 March 2011 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

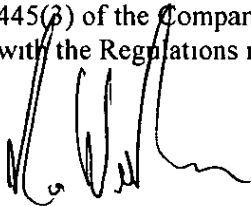
The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.



Mr T. P. Cochrane BA FCA (Senior Statutory Auditor)
for and on behalf of McEwan Wallace
Chartered Accountants
Statutory Auditor
68 Argyle Street
Birkenhead
CH41 6AF

27 September 2011

Raphael Health Care Ltd

Abbreviated Profit and Loss Account
for the Year Ended 31 March 2011

	Notes	31.3.11 £	31.3.10 £
TURNOVER		7,770,124	7,390,411
Direct costs		(4,042,323)	(3,682,246)
		<hr/>	<hr/>
		3,727,801	3,708,165
Administrative expenses		1,787,276	2,032,736
		<hr/>	<hr/>
OPERATING PROFIT	3	1,940,525	1,675,429
Exceptional items	4	-	3,959,284
		<hr/>	<hr/>
		1,940,525	(2,283,855)
Interest receivable and similar income		56,764	48,706
		<hr/>	<hr/>
		1,997,289	(2,235,149)
Interest payable and similar charges	5	569,497	439,403
		<hr/>	<hr/>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		1,427,792	(2,674,552)
Tax on profit/(loss) on ordinary activities	6	109,294	(992)
		<hr/>	<hr/>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>1,318,498</u>	<u>(2,673,560)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

The notes form part of these abbreviated accounts

Raphael Health Care Ltd

Statement of Total Recognised Gains and Losses
for the Year Ended 31 March 2011

	31.3.11 £	31.3.10 £
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	1,318,498	(2,673,560)
Unrealised deficit on revaluation of freehold property	(2,859,975)	-
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>(1,541,477)</u>	<u>(2,673,560)</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material

The notes form part of these abbreviated accounts

Raphael Health Care Ltd

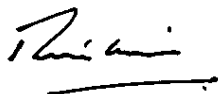
Abbreviated Balance Sheet

31 March 2011

	Notes	31 3 11 £	£	31 3 10 £	£
FIXED ASSETS					
Tangible assets	7		25,341,389		28,089,382
CURRENT ASSETS					
Stocks	8	26,523		16,915	
Debtors	9	186,996		186,427	
Cash at bank and in hand		3,653,399		2,928,190	
		<u>3,866,918</u>		<u>3,131,532</u>	
CREDITORS					
Amounts falling due within one year	10	6,296,736		6,394,225	
		<u>6,296,736</u>		<u>6,394,225</u>	
NET CURRENT LIABILITIES			(2,429,818)		(3,262,693)
TOTAL ASSETS LESS CURRENT LIABILITIES			22,911,571		24,826,689
CREDITORS					
Amounts falling due after more than one year	11		9,626,333		9,999,974
			<u>9,626,333</u>		<u>9,999,974</u>
NET ASSETS			<u>13,285,238</u>		<u>14,826,715</u>
CAPITAL AND RESERVES					
Called up share capital	15		10		10
Revaluation reserve	16		14,833,459		17,693,434
Profit and loss account	16		(1,548,231)		(2,866,729)
			<u>13,285,238</u>		<u>14,826,715</u>
SHAREHOLDERS' FUNDS	19		<u>13,285,238</u>		<u>14,826,715</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies

The financial statements were approved by the Board of Directors on 27 September 2011 and were signed on its behalf by



Roderick Gruffydd Morris - Director

The notes form part of these abbreviated accounts

Raphael Health Care Ltd

Cash Flow Statement

for the Year Ended 31 March 2011

	Notes	31.3.11 £	£	31.3.10 £	£
Net cash inflow from operating activities	1		1,763,131		1,748,798
Returns on investments and servicing of finance	2		(512,733)		(390,697)
Taxation			9,625		(13,270)
Capital expenditure and financial investment	2		(173,229)		(1,088,711)
			1,086,794		256,120
Financing	2		(361,585)		(308,954)
Increase/(Decrease) in cash in the period			725,209		(52,834)
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
Increase/(Decrease) in cash in the period			725,209		(52,834)
Cash outflow from decrease in debt			182,817		184,405
			<hr/>		<hr/>
Change in net debt resulting from cash flows			908,026		131,571
			<hr/>		<hr/>
Movement in net debt in the period			908,026		131,571
Net debt at 1 April			(8,660,592)		(8,792,163)
			<hr/>		<hr/>
Net debt at 31 March			(7,752,566)		(8,660,592)
			<hr/>		<hr/>

The notes form part of these abbreviated accounts

Notes to the Cash Flow Statement
for the Year Ended 31 March 2011

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31 3 11	31 3 10
	£	£
Operating profit	1,940,525	1,675,429
Depreciation charges	61,246	67,812
Increase in stocks	(9,608)	(6,230)
Increase in debtors	(568)	(66,318)
(Decrease)/Increase in creditors	(228,464)	78,105
Net cash inflow from operating activities	1,763,131	1,748,798

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31 3 11	31 3 10
	£	£
Returns on investments and servicing of finance		
Interest received	56,764	48,706
Interest paid	(569,497)	(439,403)
Net cash outflow for returns on investments and servicing of finance	(512,733)	(390,697)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(173,229)	(1,096,892)
Reallocation of fixed asset costs	-	8,181
Net cash outflow for capital expenditure and financial investment	(173,229)	(1,088,711)
Financing		
Loan repayments in year	(182,817)	(184,405)
Introduced/repaid re parent company	(178,768)	(124,549)
Net cash outflow from financing	(361,585)	(308,954)

The notes form part of these abbreviated accounts

Notes to the Cash Flow Statement
for the Year Ended 31 March 2011

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 4 10 £	Cash flow £	At 31 3 11 £
Net cash			
Cash at bank and in hand	2,928,190	725,209	3,653,399
	<u>2,928,190</u>	<u>725,209</u>	<u>3,653,399</u>
Debt			
Debts falling due within one year	(5,790,841)	(12,056)	(5,802,897)
Debts falling due after one year	(5,797,941)	194,873	(5,603,068)
	<u>(11,588,782)</u>	<u>182,817</u>	<u>(11,405,965)</u>
Total	<u>(8,660,592)</u>	<u>908,026</u>	<u>(7,752,566)</u>

The notes form part of these abbreviated accounts

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets

Turnover

Turnover represents amounts receivable for services provided in the normal course of business and is recognised on a per patient day basis. Turnover is stated net of value added tax

Tangible fixed assets

Tangible fixed assets are carried at cost, updated for the revaluation of certain assets plus any costs directly attributable to bring them into working condition for their intended use, less depreciation

Assets under construction represents freehold land and buildings that were not operational at the respective year end as they were still under development

Depreciation is not charged on freehold land and buildings as it is the company's policy to maintain these assets in a continued state of sound repair. It is considered that the useful economic lives of these assets exceed 50 years and residual values are not materially less than the carrying values included within the financial statements. The directors therefore consider that any depreciation would be immaterial

Depreciation on all other tangible fixed assets is calculated on a straight line basis to write off the cost, less estimated residual value for each asset in equal instalments over its expected useful life, as follows

Plant and machinery	3 years
Fixtures, fittings and equipment	3 years
Computer equipment	2 years

The cost of freehold land and buildings includes interest on the capital employed in the development of the property, plus finance costs associated with banking arrangements.

Interest and finance costs are capitalised only until the property becomes operational

Stocks

Stocks, which comprise consumables to be used in the provision of services to patients, are recorded at cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Deferred tax assets are only recognised when recovery is forecast with reasonable certainty

No provision has been made for deferred tax on gains recognised on revaluing property to its value in use as the company does not intend to sell the revalued assets in the foreseeable future

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2011

1 ACCOUNTING POLICIES - continued

Pension costs

The company participates in a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17

2 STAFF COSTS

	31 3 11	31 3 10
	£	£
Wages and salaries	3,875,535	3,630,665
Social security costs	362,049	330,956
Other pension costs	52,524	43,623
	<u>4,290,108</u>	<u>4,005,244</u>

The average monthly number of employees during the year was as follows

	31 3 11	31 3 10
Operation	133	128
Administration	31	31
	<u>164</u>	<u>159</u>

3. OPERATING PROFIT

The operating profit is stated after charging

	31 3 11	31 3 10
	£	£
Depreciation - owned assets	61,247	67,812
Auditors' remuneration	13,000	12,875
Auditors' remuneration for non audit work	12,620	12,829
	<u>228,900</u>	<u>195,000</u>

Information regarding the highest paid director for the year ended 31 March 2011 is as follows:

	31.3 11
	£
Emoluments etc	<u>126,900</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2011

4 EXCEPTIONAL ITEMS

In the previous year the company was refused planning permission to develop the Briars Hey site into a 45 bed secure facility. As a result, Briars Hey was transferred from assets under construction to Freehold property at 31 March 2010. As this asset class is carried at value in use the property value was impaired in 2010 by £3,967,465 to its value in use with the planning consents already obtained at that balance sheet date. The accounting treatment was determined by the provisions of Financial Reporting Standard No 3 'Reporting Financial Performance' and deemed to be exceptional due to its relative size and non-recurring nature.

5 INTEREST PAYABLE AND SIMILAR CHARGES

	31 3 11	31 3 10
	£	£
Bank interest	39	366
Bank loan interest	569,458	439,037
	<u>569,497</u>	<u>439,403</u>

6 TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit on ordinary activities for the year was as follows

	31 3 11	31 3 10
	£	£
Current tax		
UK corporation tax	118,919	-
Under/(over) provision for corporation tax	(9,625)	(992)
	<u>109,294</u>	<u>(992)</u>

UK corporation tax has been charged at 27.71%

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2011

6 TAXATION - continued

Factors affecting the tax charge/(credit)

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	31 3 11 £	31 3 10 £
Profit/(loss) on ordinary activities before tax	1,427,792	(2,674,552)
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2010 - 28%)	399,782	(748,875)
Effects of		
Difference between depreciation and capital allowances	(48,330)	(57,305)
Disallowable items	(20,555)	(29,858)
Utilisation of losses and reliefs	(211,978)	(272,562)
Prior year under/(over) provision	(9,625)	(992)
Exceptional item	-	1,108,600
Current tax charge/(credit)	109,294	(992)

7 TANGIBLE FIXED ASSETS

	Freehold property £	Assets under construction £	Plant and machinery £
COST OR VALUATION			
At 1 April 2010	27,315,000	682,033	4,218
Additions	60,187	68,854	1,570
Impairments	(2,859,975)	-	-
Reclassification/transfer	750,887	(750,887)	-
At 31 March 2011	25,266,099	-	5,788
DEPRECIATION			
At 1 April 2010	-	-	2,017
Charge for year	-	-	1,007
At 31 March 2011	-	-	3,024
NET BOOK VALUE			
At 31 March 2011	25,266,099	-	2,764
At 31 March 2010	27,315,000	682,033	2,201

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2011

7 TANGIBLE FIXED ASSETS - continued

	Fixtures, fittings & equipment £	Computer equipment £	Totals £
COST OR VALUATION			
At 1 April 2010	143,661	132,342	28,277,254
Additions	27,504	15,114	173,229
Impairments	-	-	(2,859,975)
At 31 March 2011	171,165	147,456	25,590,508
DEPRECIATION			
At 1 April 2010	83,593	102,262	187,872
Charge for year	38,105	22,135	61,247
At 31 March 2011	121,698	124,397	249,119
NET BOOK VALUE			
At 31 March 2011	49,467	23,059	25,341,389
At 31 March 2010	60,068	30,080	28,089,382

At the year end the company owned two freehold properties

"The Farndon Unit" was valued by GVA Grimley in April 2011. The valuation was based on the "Value In Use" of the property and was provided under the assumption that the property was a fully equipped and operational low secure hospital registered for 46 beds. Previously the property was valued at £24,365,000, though it was impaired in the more recent valuation to £22,300,000.

"Briars Hey" was acquired in 2007 and the company planned to develop the site into a 45 bed secure facility. The company was refused planning permission in 2010 and as a result, the property was transferred from assets under construction to freehold property and was impaired by £3,967,465 to £2,950,000 to equate to its value in use based on the planning consents already obtained at the balance sheet date. This valuation was based on a report prepared by Christie & Co in November 2008.

The directors are of the opinion that the carrying values of the two properties did not change materially between the date at which the valuations were made and the year end.

If both properties were sold at their revalued amounts, it would be necessary to replace them with similar properties and rollover relief against tax on the disposals would be available. Accordingly, no timing differences arise and no provision has been made for deferred tax in respect of the valuations. If deferred tax had been provided for, it would amount to circa £2,500,000.

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2011

7 TANGIBLE FIXED ASSETS - continued

Cost or valuation at 31 March 2011 is represented by:

	Freehold property £	Plant and machinery £	Fixtures, fittings & equipment £	Computer equipment £	Totals £
Valuation in 2007	8,678,801	-	-	-	8,678,801
Valuation in 2008	458,148	-	-	-	458,148
Valuation in 2009	8,556,485	-	-	-	8,556,485
Valuation in 2011	(2,859,975)	-	-	-	(2,859,975)
Cost	10,432,640	5,788	171,165	147,456	10,757,049
	<u>25,266,099</u>	<u>5,788</u>	<u>171,165</u>	<u>147,456</u>	<u>25,590,508</u>

8 STOCKS

	31 3 11 £	31 3 10 £
Cleaning materials	5,357	1,166
Pharmaceuticals	14,839	12,873
Food & catering consumables	5,325	1,874
Office consumables	1,002	1,002
	<u>26,523</u>	<u>16,915</u>

9 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 11 £	31 3 10 £
Trade debtors	60,800	75,465
Other debtors	5,140	396
Amounts due from related companies	30,528	30,528
Prepayments and accrued income	90,528	80,038
	<u>186,996</u>	<u>186,427</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2011

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 11	31 3 10
	£	£
Bank loans and overdrafts (see note 12)	5,802,897	5,790,841
Trade creditors	100,882	296,585
Tax	118,919	-
Social security and other taxes	101,668	93,243
Other creditors	2,345	569
Accrued expenses	170,025	212,987
	<u>6,296,736</u>	<u>6,394,225</u>

11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 3 11	31 3 10
	£	£
Bank loans (see note 12)	5,603,068	5,797,941
Amounts owed to group undertakings	4,023,265	4,202,033
	<u>9,626,333</u>	<u>9,999,974</u>

12 LOANS

An analysis of the maturity of loans is given below

	31 3 11	31 3 10
	£	£
Amounts falling due within one year or on demand.		
Bank loans	<u>5,802,897</u>	<u>5,790,841</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	<u>216,559</u>	<u>203,717</u>
Amounts falling due between two and five years		
Bank loans - 2-5 years	<u>738,887</u>	<u>695,049</u>
Amounts falling due in more than five years		
Repayable by instalments		
Bank loans	<u>4,647,622</u>	<u>4,899,175</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2011

12 LOANS - continued

At the year end, included within Bank loans and overdrafts the company had two term loans, these had balances of £4,084,449 and £1,721,516, with remaining terms of 189 and 197 months respectively and at an interest rate of 6.75%

Also, included within Bank loans and overdrafts is a bridging loan of £5,600,000 that was used to acquire the Briars Hey site. This is on a revolving facility. The current arrangement runs to February 2012 and there are proposals in place at the year end to refinance this facility during 2011/12.

13 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	Land and buildings		Other operating leases	
	31 3 11 £	31 3 10 £	31 3 11 £	31 3 10 £
Expiring				
Within one year	-	-	-	3,766
Between one and five years	31,137	31,137	4,770	4,770
	<u>31,137</u>	<u>31,137</u>	<u>4,770</u>	<u>8,536</u>

14 SECURED DEBTS

The following secured debts are included within creditors

	31 3 11 £	31 3 10 £
Bank loans	<u>11,405,965</u>	<u>11,588,782</u>

All assets held by the company at the balance sheet date and in the future have been secured by way of debentures dated 17 November 2006 and 28 July 2008.

All monies receivable by the company have been secured by charges dated 12 November 2007 and 28 July 2008.

All monies held on deposit at the bank have been secured by a charges dated 25 September 2007 and 28 July 2008.

The Farndon Unit, Newark, Nottinghamshire, NG24 4SW has been secured by a legal charges dated 17 November 2006 and 28 July 2008.

Briars Hey, Mill Lane, Rainhill, Prescot, Merseyside, L35 6NE has been secured by legal charges dated 25 September 2007 and 28 July 2008.

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2011

15 CALLED UP SHARE CAPITAL

Allotted and issued Number	Class:	Nominal value £1	31 3 11 £ 10	31 3 10 £ 10
10	Ordinary		<u>10</u>	<u>10</u>

16. RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 April 2010	(2,866,729)	17,693,434	14,826,705
Profit for the year	1,318,498		1,318,498
Revaluation in the year	-	(2,859,975)	(2,859,975)
At 31 March 2011	<u>(1,548,231)</u>	<u>14,833,459</u>	<u>13,285,228</u>

17 RELATED PARTY DISCLOSURES

As a wholly owned subsidiary of Raphael Health Care (Holding) Limited, the company has taken advantage of the exemption contained in FRS 8 - Related Party Disclosures from disclosing transactions with entities which form part of the group

At the year end the company owed its directors the following amounts:

	31.3 11 £	31 3 10 £
A L Robinson	2,939	Nil
R Morris	599	631

These amounts are included within creditors

18 ULTIMATE CONTROLLING PARTY

At the year end, the company was a wholly owned subsidiary of Raphael Health Care (Holding) Limited, a company registered in England and Wales. Raphael Health Care (Holding) Limited was in turn a wholly owned subsidiary of RHC Group Limited. The whole group is deemed to be ultimately controlled by Mr JPT Lamb, director, by virtue of his majority shareholding in the ultimate parent company.

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2011

19 **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	31 3 11	31 3 10
	£	£
Profit/(Loss) for the financial year	1,318,498	(2,673,560)
Other recognised gains and losses relating to the year (net)	(2,859,975)	-
Net reduction of shareholders' funds	(1,541,477)	(2,673,560)
Opening shareholders' funds	14,826,715	17,500,275
Closing shareholders' funds	13,285,238	14,826,715