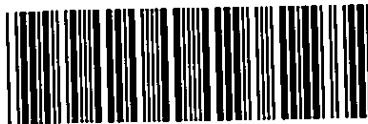


Company Registration No. 5442152 (England and Wales)

COMPANIES HOUSE
COPY

BROADHAM CARE LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

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COMPANIES HOUSE

BROADHAM CARE LIMITED

COMPANY INFORMATION

Directors

P Hurley
G H Wise
S G Wise
M Plant
J J Jordan

Secretary

P Hurley

Company number

5442152

Registered office

52 New Town
Uckfield
East Sussex
TN22 5DE

Auditors

Simmons Gainsford LLP
52 New Town
Uckfield
East Sussex
TN22 5DE

BROADHAM CARE LIMITED

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Cash flow statement	8
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BROADHAM CARE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2010

The directors present their report and financial statements for the year ended 31 March 2010

Principal activities and review of the business

The principal activity of the company continued to be that of provision of care home facilities for individuals with special needs

The aim of the company is to provide care services at the highest level, by developing its homes to the highest standards for accommodation and decoration, together with imaginative and comprehensive individual care plans and activities, tailored to the needs of each client

The company is committed to a comprehensive training programme for its care staff, and fund the costs for staff, to undertake NVQ qualifications. Staff are required to have NVQ Care qualifications appropriate to their role level

Where possible, the company always promotes organic growth from within, supported by its training programme

The directors are satisfied with the performance of the company during the financial year. The company reports a financial profit this year and the portfolio of care home properties in operation went from four to five, with a high level of occupancy throughout

The development of two further properties was also started during the year, ready to be marketed for operation in the next financial year

As for many businesses of our size, the business environment in which we operate continues to be challenging, being heavily reliant on external funding to further the activities of the business

However, the company receives considerable funding from G H Wise, a shareholder of the company

The directors confirm the continued loan support from G H Wise and the board are constantly reviewing the banking arrangements

By comprehensive client assessment and operating in a specialist sector, the company is maintaining high fee levels, the results of which now show the company making profits

The directors consider turnover, occupancy and the operating profit margins to be the key performance indicators of the company

BROADHAM CARE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

During the year, the company's turnover increased by 182% (2009 - 210%) to £3,329,730 (2009 - £1,826,784) due to more homes starting to operate at a higher capacity, while gross profit margin for the year was 24.9% (2009 - 16.3%)

Net profit before tax for the year after administrative and finance costs was £176,980 (2009 - £191,774 loss), representing a net profit margin of 5.3% (2009 - N/A)

Gross assets increased 20.0% in the year to £7,449,000 (2009 - £6,205,353) reflecting increased investment in new care homes

Occupancy in the operational homes was 89% during the year, which has risen to 95% since the year end

The directors anticipate that this level of trading will be maintained throughout next year

The current economic climate has an impact on the value of freehold properties and there is a risk of impairment to the value of the company's property portfolio. The company develops and maintains its care homes to a high standard. It is intended that these properties are held to generate income in the long term. Therefore the properties are expected to sustain their value. Professional valuations since the year end have confirmed this.

The company maintains both long-term and short-term debt finance, in order to ensure that the company has sufficient funds both for day-to-day operations and capital projects. Any new debt finance requires the approval of the Board of Directors.

Results and dividends

The results for the year are set out on page 6

Directors

The following directors have held office since 1 April 2009

P Hurley
G H Wise
S G Wise
M Plant
J J Jordan

BROADHAM CARE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' 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). 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.

The directors' interests in the shares of the holding company are disclosed in the accounts of that company.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



P Hurley

Secretary

23-07-10

BROADHAM CARE LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BROADHAM CARE LIMITED

We have audited the financial statements of Broadham Care Limited for the year ended 31 March 2010 set out on pages 6 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BROADHAM CARE LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF BROADHAM CARE LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Martyn Pizer FCA (Senior Statutory Auditor)
for and on behalf of Simmons Gainsford LLP

23/7/10

Chartered Accountants
Statutory Auditor

52 New Town
Uckfield
East Sussex
TN22 5DE

BROADHAM CARE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2010

	Notes	2010 £	2009 £
Turnover	2	3,329,730	1,826,784
Cost of sales		(2,500,720)	(1,528,526)
Gross profit		829,010	298,258
Administrative expenses		(293,353)	(166,889)
Other operating income		-	100
Operating profit	3	535,657	131,469
Other interest receivable and similar income	4	828	5,492
Interest payable and similar charges	5	(357,505)	(328,735)
Profit/(loss) on ordinary activities before taxation		178,980	(191,774)
Tax on profit/(loss) on ordinary activities	6	50,218	-
Profit/(loss) for the year	13	229,198	(191,774)

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

BROADHAM CARE LIMITED


BALANCE SHEET

AS AT 31 MARCH 2010

	Notes	2010 £	£	2009 £	£
Fixed assets					
Tangible assets	7	7,044,907		6,004,944	
Current assets					
Debtors	8	148,530		111,133	
Cash at bank and in hand		305,955		89,276	
		<u>454,485</u>		<u>200,409</u>	
Creditors: amounts falling due within one year	9	<u>(625,781)</u>		<u>(1,572,994)</u>	
Net current liabilities			<u>(171,296)</u>		<u>(1,372,585)</u>
Total assets less current liabilities		<u>6,873,611</u>		<u>4,632,359</u>	
Creditors: amounts falling due after more than one year	10	7,546,822		5,534,767	
Capital and reserves					
Called up share capital	12	100,000		100,000	
Profit and loss account	13	<u>(773,211)</u>		<u>(1,002,408)</u>	
Shareholders' funds	14	<u>6,873,611</u>		<u>4,632,359</u>	

Approved by the Board and authorised for issue on 23-07-10


M Plant
Director


G H Wise
Director

Company Registration No. 5442152

BROADHAM CARE LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2010

	£	2010 £	£	2009 £
Net cash inflow from operating activities		832,117		98,701
Returns on investments and servicing of finance				
Interest received	828		5,492	
Interest paid	(357,505)		(328,735)	
Net cash outflow for returns on investments and servicing of finance		(356,677)		(323,243)
Capital expenditure				
Payments to acquire tangible assets	(1,100,592)		(2,133,081)	
Receipts from sales of tangible assets	-		5,899	
Net cash outflow for capital expenditure		(1,100,592)		(2,127,182)
Net cash outflow before management of liquid resources and financing		(625,152)		(2,351,724)
Financing				
New long term bank loan	1,361,477		1,823,515	
Other new long term loans	1,013,000		377,672	
Repayment of other long term loans	(882,226)		-	
Net cash inflow from financing		841,831		2,201,187
Increase/(decrease) in cash in the year		216,679		(150,537)

BROADHAM CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The financial statements are prepared on the Going Concern basis on the grounds of the continuing support of Mr G Wise, a director of the company who has no intention to demand the loan to the company

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable for services

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Land and buildings Freehold	£nil
Furnishings	25% on reducing balance
Fixtures, fittings & equipment	25% on reducing balance
Motor vehicles	25% on reducing balance
Furnishings	33% on reducing balance

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.6 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

BROADHAM CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

3	Operating profit	2010	2009
		£	£
	Operating profit is stated after charging		
	Depreciation of tangible assets	57,868	35,255
	Loss on disposal of tangible assets	2,761	4,413
	Operating lease rentals	15,300	8,783
	Auditors' remuneration (including expenses and benefits in kind)	13,533	15,224
		<u> </u>	<u> </u>

4	Investment income	2010	2009
		£	£
	Bank interest	828	5,492
		<u> </u>	<u> </u>
		828	5,492
		<u> </u>	<u> </u>

5	Interest payable	2010	2009
		£	£
	On bank loans and overdrafts	156,789	172,382
	On loans repayable after five years	200,716	156,353
		<u> </u>	<u> </u>
		357,505	328,735
		<u> </u>	<u> </u>

BROADHAM CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

6	Taxation	2010 £	2009 £
	Domestic current year tax		
	U K corporation tax	174	-
	Current tax charge	174	-
	Deferred tax		
	Deferred tax charge/credit current year	(50,392)	-
		(50,218)	-
	Factors affecting the tax charge for the year		
	Profit/(loss) on ordinary activities before taxation	178,980	(191,774)
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21 00% (2009 - 0 00%)	37,586	-
	Effects of		
	Non deductible expenses	642	-
	Depreciation add back	12,732	-
	Capital allowances	(12,063)	-
	Tax losses utilised	(38,303)	-
		(36,992)	-
	Current tax charge	594	-
	Reconciliation - the current year tax charge does not reconcile to the above analysis Please review figures in the database.	(420)	-

The company has estimated losses of £ 609,192 (2009 - £ 793,589) available for carry forward against future trading profits

BROADHAM CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

7 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Furnishings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2009	5,810,950	44,962	39,787	111,108	68,140	6,074,947
Additions	1,053,067	8,735	-	11,745	27,045	1,100,592
Disposals	-	(1,787)	-	(2,330)	-	(4,117)
At 31 March 2010	6,864,017	51,910	39,787	120,523	95,185	7,171,422
Depreciation						
At 1 April 2009	-	8,734	14,654	29,808	16,807	70,003
On disposals	-	(754)	-	(602)	-	(1,356)
Charge for the year	-	9,699	8,294	21,577	18,298	57,868
At 31 March 2010	-	17,679	22,948	50,783	35,105	126,515
Net book value						
At 31 March 2010	6,864,017	34,231	16,839	69,740	60,080	7,044,907
At 31 March 2009	5,810,950	36,228	25,134	81,299	51,333	6,004,943

8 Debtors

	2010	2009
	£	£
Trade debtors	47,623	62,414
Other debtors	1,755	2,143
Prepayments and accrued income	48,760	46,576
Deferred tax asset (see note 11)	50,392	-
	148,530	111,133

BROADHAM CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

9 Creditors' amounts falling due within one year	2010	2009
	£	£
Bank loans and overdrafts	251,726	1,421,950
Trade creditors	200,650	76,012
Corporation tax	174	-
Other taxes and social security costs	152,449	31,532
Directors' current accounts	769	44
Other creditors	5,265	4,153
Accruals and deferred income	14,748	39,303
	<u>625,781</u>	<u>1,572,994</u>

10 Creditors' amounts falling due after more than one year	2010	2009
	£	£
Bank loans	4,168,992	2,807,515
Other loans	3,377,830	2,727,252
	<u>7,546,822</u>	<u>5,534,767</u>

Analysis of loans

Loan maturity analysis

In more than five years	<u>7,424,787</u>	<u>6,956,717</u>
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The loan is secured by a fixed and floating charge over the assets of the company. One of the directors has a legal charge over the property, see transactions with directors note

BROADHAM CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

11 Provisions for liabilities

The deferred tax asset (included in debtors, note 8) is made up as follows:

	2010 £
Profit and loss account	(50,392)

	2010 £	2009 £
Accelerated capital allowances	77,958	-
Tax losses available	(128,350)	-
	(50,392)	-

12 Share capital

	2010 £	2009 £
Authorised		
1,000,000 Ordinary shares of £1 each	1,000,000	1,000,000
Allotted, called up and fully paid		
100,000 Ordinary shares of £1 each	100,000	100,000

13 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 April 2009	(1,002,409)
Profit for the year	229,198
Balance at 31 March 2010	(773,211)

BROADHAM CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

14 Reconciliation of movements in shareholders' funds	2010	2009
	£	£
Profit/(Loss) for the financial year	229,198	(191,774)
Opening shareholders' funds	(902,408)	(710,634)
	<u> </u>	<u> </u>
Closing shareholders' funds	<u>(673,211)</u>	<u>(902,408)</u>

15 Financial commitments

At 31 March 2010 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2011

	Land and buildings	
	2010	2009
	£	£
Operating leases which expire		
Within one year	<u>3,500</u>	<u>3,500</u>

16 Capital commitments	2010	2009
	£	£
At 31 March 2010 the company had capital commitments as follows		
Contracted for but not provided in the financial statements	<u>541,389</u>	<u>7,676</u>

17 Directors' emoluments	2010	2009
	£	£
Emoluments for qualifying services	<u>198,778</u>	<u>157,175</u>

BROADHAM CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

18 Transactions with directors

The amount shown as falling due after more than 1 year, totalling £3,377,830 (2009 £2,727,252) , represents money due to G H Wise, director and shareholder of the company This loan is partly secured by legal charge over the freehold land and buildings in Eastbourne, Worthing and Dover During the year the company was charged interest at market rates of £200,716 (2009 - £156,353) on these loans

The company purchased goods and services in relation to the interior design of the properties, including furniture and fittings, to the value of £nil (2009 - £20,317) to Asia Jordan, the wife of a director The amount outstanding by the company at 31 March 2010 is £nil (2009 - £570)

Included in other creditors are loans to directors of the following values, Mr P Hurley £343 (2009 - £44) and Mr M Plant £426 (2009 - £80 owed to the company)

19 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2010 Number	2009 Number
Administration	6	5
House Operations	90	54
	<u>96</u>	<u>59</u>

Employment costs

	2010 £	2009 £
Wages and salaries	1,675,327	943,759
Social security costs	148,828	87,067
	<u>1,824,155</u>	<u>1,030,826</u>