


**MENTAL HEALTH CARE (PLAS COCH)
LIMITED**

Report and Financial Statements

31 December 2007

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MENTAL HEALTH CARE (PLAS COCH) LIMITED

REPORT AND FINANCIAL STATEMENTS 2007

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MENTAL HEALTH CARE (PLAS COCH) LIMITED

REPORT AND FINANCIAL STATEMENTS 2007

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

| | |
|-----------|------------------------|
| J Mann | Chief Executive |
| M Short | Finance Director |
| M Parsons | Non Executive Director |

SECRETARY

J Hather

REGISTERED OFFICE

Suite 201 The Chambers
Chelsea Harbour
London
SW10 0XF

BANKERS

HSBC
17 Vale Street
Denbigh
Denbighshire
LL16 3AG

Royal Bank of Scotland
27 Blackwell Gate
Darlington
Co Durham
DL1 5HX

AUDITORS

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Newcastle upon Tyne

MENTAL HEALTH CARE (PLAS COCH) LIMITED

DIRECTORS' REPORT

The directors present the annual report and the audited financial statements for the nine month period ended 31 December 2007.

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

The company is a wholly owned subsidiary of Mental Health Care (UK) Limited, which is an indirect subsidiary of Castle Holdings Limited, a company incorporated in Jersey.

The company's principal activity is the provision of residential care for people with mental health problems. There have not been any changes to the company's principal activities in the period under review. The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

As shown in the profit and loss account on page 6, the company's sales for the 9 months to 31 December 2007 were £2,902,350 (year ended 31 March 2007 - £3,729,071). On a pro rata basis, sales have increased by 3.8%.

The gross profit for the period is 29.4% of turnover (previous period 26.5%). The loss after taxation for the period amounts to £125,532 (prior year - £216,624). The audited financial statements for the period ended 31 December 2007 are set out on pages 6 to 14.

The balance sheet on page 7 of the financial statements shows that the net assets of the company as at 31 December 2007 were £8,369,153 compared to net liabilities of £757,746 as at 31 March 2007. This increase principally relates to the revaluation of freehold land and buildings during the period.

PRINCIPAL RISKS AND UNCERTAINTIES

Competitive pressure in the UK is a continuing risk for the company, which could result in it losing sales to its key competitors. The company manages the risk by providing added value service to its customers. This is achieved by maintaining high standards of care and strong relationships with customers.

The sector is also state regulated and these high standards are maintained through the investment in training and an internal audit function.

ENVIRONMENT

The Mental Health Care (UK) Limited group recognises the importance of its environmental responsibilities and monitors its impact on the environment to reduce any damage that might be caused by the group's activities. Initiatives designed to minimise the company's impact on the environment include safe disposal of clinical waste and reducing energy consumption.

EMPLOYEES

Details of the number of employees and related costs can be found in note 3 to the financial statements on page 9.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

DIVIDENDS AND TRANSFERS TO RESERVES

The directors do not recommend the payment of a dividend (31 March 2007 - £Nil).

FUTURE PROSPECTS

The director expects the general level of activity to increase further over the forthcoming year.

MENTAL HEALTH CARE (PLAS COCH) LIMITED

DIRECTORS' REPORT (continued)

DIRECTORS

The directors who served during the period, and changes thereafter, were as follows:

| | |
|-----------|---|
| R Ellis | (resigned 3 August 2007) |
| D Cole | (appointed 3 August 2007, resigned 25 September 2008) |
| J Mann | (appointed 11 June 2008) |
| M Parsons | (appointed 5 December 2007) |
| M Short | (appointed 5 December 2007) |

AUDIT INFORMATION

Each person who is a director at the date of approval of this report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provision of s234ZA of the Companies Act 1985.

AUDITORS

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed by order of the Board,



M Short

Director

20 October 2008

MENTAL HEALTH CARE (PLAS COCH) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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 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 MEMBERS OF MENTAL HEALTH CARE (PLAS COCH) LIMITED

We have audited the financial statements of Mental Health Care (Plas Coch) Limited for the nine month period ended 31 December 2007 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes 1 to 17. 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

The directors' responsibilities for preparing 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. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we 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.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

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 as at 31 December 2007 and of its loss for the period 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.

Deloitte & Touche LLP

Deloitte & Touche LLP

Chartered Accountants and Registered Auditors
Newcastle upon Tyne, United Kingdom

20 October 2008

MENTAL HEALTH CARE (PLAS COCH) LIMITED

PROFIT AND LOSS ACCOUNT

Nine month period ended 31 December 2007

| | Note | 9 month period ended 31 December 2007 £ | Year ended 31 March 2007 £ |
|--|--------|---|-------------------------------------|
| TURNOVER | 2 | 2,902,350 | 3,729,071 |
| Cost of sales | | (2,049,477) | (2,742,681) |
| GROSS PROFIT | | 852,873 | 986,390 |
| Administrative expenses | | (1,021,666) | (1,228,283) |
| OPERATING LOSS | | (168,793) | (241,893) |
| Interest payable and similar charges | 4 | (3,722) | (29) |
| LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | 5 | (172,515) | (241,922) |
| Tax credit on loss on ordinary activities | 6 | 46,983 | 25,298 |
| RETAINED LOSS FOR THE PERIOD/YEAR | 12, 13 | (125,532) | (216,624) |

All activity has arisen from continuing operations.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Nine month period ended 31 December 2007

| | 9 months ended 31 December 2007 £ | Year ended 31 March 2007 £ |
|---|---|-------------------------------------|
| Loss for the financial period/year | (125,532) | (216,624) |
| Unrealised surplus on revaluation of properties | 9,252,431 | - |
| Total gains/(losses) recognised in the period/year | 9,126,899 | (216,624) |

MENTAL HEALTH CARE (PLAS COCH) LIMITED

BALANCE SHEET 31 December 2007

| | Note | 31 December 2007 £ | 31 March 2007 £ |
|---|------|--------------------------|-----------------------|
| FIXED ASSETS | | | |
| Tangible assets | 7 | <u>9,938,372</u> | <u>715,578</u> |
| CURRENT ASSETS | | | |
| Debtors | 8 | 360,912 | 661,490 |
| Cash at bank and in hand | | <u>19,546</u> | <u>3,614</u> |
| | | 380,458 | 665,104 |
| CREDITORS: Amounts falling due within one year | 9 | <u>(1,949,677)</u> | <u>(2,138,428)</u> |
| NET CURRENT LIABILITIES | | <u>(1,569,219)</u> | <u>(1,473,324)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>8,369,153</u> | <u>(757,746)</u> |
| NET ASSETS/(LIABILITIES) | | <u>8,369,153</u> | <u>(757,746)</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 11 | 2 | 2 |
| Revaluation reserve | 12 | 9,252,431 | - |
| Profit and loss account | 12 | <u>(883,280)</u> | <u>(757,748)</u> |
| SHAREHOLDER'S FUNDS/(DEFICIT) | 13 | <u>8,369,153</u> | <u>(757,746)</u> |

The financial statements on pages 6 to 14 were approved by the Board of Directors on 20 October 2008.

Signed on behalf of the Board of Directors,



M Short

Director

MENTAL HEALTH CARE (PLAS COCH) LIMITED

NOTES TO THE ACCOUNTS

Nine month period ended 31 December 2007

1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of freehold properties. The particular accounting policies adopted are described below. They have all been applied consistently throughout the period and the preceding year.

Tangible fixed assets

Freehold properties are carried at valuation.

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment.

Depreciation is not provided on freehold land or assets in the course of construction.

Depreciation is calculated to write off the cost or revalued amount less estimated residual value of each class of asset over their estimated useful economic lives which are estimated as follows:

| | |
|--|------------------------|
| Freehold buildings – instalments | 50 years straight line |
| Motor vehicles | 5 years straight line |
| Fixtures and fittings & Electrical equipment | 5 years straight line |

Revaluation of properties

Individual freehold and leasehold properties are independently revalued on a triennial basis with the surplus or deficit on the book value being transferred to the revaluation reserve, except that a deficit which is in excess of any previously recognised surplus over depreciated cost relating to the same property, or the reversal of such a deficit, is charged (or credited) to the profit and loss account. A deficit which represents a clear consumption of economic benefits is charged to the profit and loss account regardless of any such previous surplus. On an annual basis the Directors assess the carrying value of freehold and leasehold properties, to determine if there has been a material change in value, and if in their judgement the carrying value is appropriate.

Where depreciation charges are increased following a revaluation, an amount equal to the increase is transferred annually from the revaluation reserve to the profit and loss account as a movement on reserves. On the disposal of a revalued fixed asset, any related balance remaining in the revaluation reserve is also transferred to the profit and loss account as a movement on reserves.

Taxation

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

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.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

MENTAL HEALTH CARE (PLAS COCH) LIMITED

NOTES TO THE ACCOUNTS

Nine month period ended 31 December 2007

1. ACCOUNTING POLICIES (continued)

Taxation (continued)

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the 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.

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

Cash flow statement

As permitted by FRS 1 (revised), the company has not produced a cash flow statement as it is a wholly owned subsidiary undertaking of CB Care Limited, a company registered in England and Wales, which has produced a group cash flow statement in its financial statements.

2. TURNOVER

Turnover arises wholly from the company's principal UK activity and represents amounts receivable for services provided in the normal course of business, net of VAT.

Turnover is recognised in the period in which the services are performed.

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

| | 9 month period ended 31 December 2007 No. | Year ended 31 March 2007 No. |
|---|---|---------------------------------------|
| Average number of persons employed | | |
| Managers, care staff and administration | 102 | 100 |
| | <u>102</u> | <u>100</u> |
| | £ | £ |
| Staff costs during the year | | |
| Wages and salaries | 1,475,868 | 2,012,702 |
| Social security costs | 138,887 | 221,239 |
| | <u>1,614,755</u> | <u>2,233,941</u> |

No remuneration was paid to the directors of the company (31 March 2007 - £nil). Directors' remuneration is borne by another group company.

MENTAL HEALTH CARE (PLAS COCH) LIMITED

NOTES TO THE ACCOUNTS

Nine month period ended 31 December 2007

4. INTEREST PAYABLE AND SIMILAR CHARGES

| | 9 month period ended 31 December 2007 £ | Year ended 31 March 2007 £ |
|--|---|-------------------------------------|
| Bank loans, overdrafts and other loans repayable within five years | 3,722 | 29 |

5. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

Loss on ordinary activities before taxation is stated after charging:

| | 9 month period ended 31 December 2007 £ | Year ended 31 March 2007 £ |
|--|---|-------------------------------------|
| Depreciation and amounts written off tangible fixed assets - owned | 52,424 | 142,991 |
| Auditors' remuneration for audit services: - fees payable to the company's auditors for the audit of the company's annual accounts | 3,742 | 4,113 |

6. TAX CREDIT ON LOSS ON ORDINARY ACTIVITIES

a) The tax credit comprises:

| | 9 month period ended 31 December 2007 £ | Year ended 31 March 2007 £ |
|--|---|-------------------------------------|
| Current tax | | |
| UK corporation tax – group relief | (43,175) | - |
| | (43,175) | - |
| Deferred tax | | |
| Origination and reversal of timing differences | (3,808) | (25,298) |
| Total deferred tax (see note 10) | (3,808) | (25,298) |
| Total tax credit on loss on ordinary activities | (46,983) | (25,298) |

MENTAL HEALTH CARE (PLAS COCH) LIMITED

NOTES TO THE ACCOUNTS

Nine month period ended 31 December 2007

6. TAX CREDIT ON LOSS ON ORDINARY ACTIVITIES (continued)

b) The differences between the total current tax shown above and the amount calculated by applying the effective rate of UK corporation tax to the loss before tax is as follows:

| | 9 month period ended 31 December 2007 £ | Year ended 31 March 2007 £ |
|--|---|-------------------------------------|
| Loss on ordinary activities before tax | (172,515) | (241,922) |
| Tax on loss on ordinary activities at standard UK corporation tax rate of 30% (31 March 2007 – 30%) | (51,755) | (72,577) |
| <i>Effects of:</i> | | |
| Expenses not deductible for tax purposes | 3,466 | - |
| Rate difference on deferred tax | 1,305 | - |
| Depreciation in excess of capital allowances | 3,809 | 29,792 |
| Group relief surrendered to fellow subsidiary companies | - | 42,785 |
| Current tax credit for period (note 6(a)) | (43,175) | - |

The Chancellor of the Exchequer's Budget of 21 March 2007 announced changes to the system of capital allowances and to the rate of corporation tax to take effect from April 2008 to April 2011. Certain of these changes were substantively enacted on 26 June 2007. The directors have evaluated the effects of these changes expected to affect the Company and believe that they will have no significant impact on the Company's tax position.

The amount of deferred tax that has not been provided on revalued fixed assets and fixed assets subject to rollover relief is £2,740k (31 March 2007: £nil). At present, it is not envisaged that any tax will become payable in the foreseeable future.

MENTAL HEALTH CARE (PLAS COCH) LIMITED

NOTES TO THE ACCOUNTS

Nine month period ended 31 December 2007

7. TANGIBLE FIXED ASSETS

| | Freehold land and buildings £ | Fixtures and fittings £ | Motor vehicles £ | Total £ |
|---------------------------------|--|-------------------------------|------------------------|-------------------|
| Cost or valuation | | | | |
| At 1 April 2007 | 750,347 | 771,797 | 32,647 | 1,554,791 |
| Additions | 21,247 | 1,540 | - | 22,787 |
| Revaluation | 9,134,525 | - | - | 9,134,525 |
| At 31 December 2007 | <u>9,906,119</u> | <u>773,337</u> | <u>32,647</u> | <u>10,712,103</u> |
| Accumulated depreciation | | | | |
| At 1 April 2007 | 111,488 | 695,078 | 32,647 | 839,213 |
| Charge for the period | 11,552 | 40,872 | - | 52,424 |
| Revaluation | (117,906) | - | - | (117,906) |
| At 31 December 2007 | <u>5,134</u> | <u>735,950</u> | <u>32,647</u> | <u>773,731</u> |
| Net book value | | | | |
| At 31 December 2007 | <u>9,900,985</u> | <u>37,387</u> | <u>-</u> | <u>9,938,372</u> |
| At 31 March 2007 | <u>638,859</u> | <u>76,719</u> | <u>-</u> | <u>715,578</u> |

The freehold land and buildings were valued by chartered surveyors on 31 July 2007 on the existing use basis as a fully operational trading unit.

If land and buildings had not been revalued, they would have been included at the following amounts:

| | 31 December 2007 £ | 31 March 2007 £ |
|----------------|--------------------------|-----------------------|
| Cost | 771,594 | 750,347 |
| Depreciation | (123,040) | (111,488) |
| Net book value | <u>648,554</u> | <u>638,859</u> |

8. DEBTORS

| | 31 December 2007 £ | 31 March 2007 £ |
|------------------------------------|--------------------------|-----------------------|
| Trade debtors | 283,146 | 317,300 |
| Amounts owed by group undertakings | 662 | 294,177 |
| Deferred tax asset (see note 10) | 18,269 | 14,461 |
| Prepayments and accrued income | 15,660 | 35,552 |
| Group relief | 43,175 | - |
| | <u>360,912</u> | <u>661,490</u> |

MENTAL HEALTH CARE (PLAS COCH) LIMITED

NOTES TO THE ACCOUNTS

Nine month period ended 31 December 2007

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31 December 2007 £ | 31 March 2007 £ |
|---|--------------------------|-----------------------|
| Bank loans and overdrafts (see note 15) | - | 1,640,305 |
| Trade creditors | 69,334 | 84,712 |
| Amounts owed to group undertakings | 1,517,133 | - |
| Other taxes and social security | 42,488 | 61,776 |
| Other creditors | 4,427 | 2,611 |
| Accruals and deferred income | 316,295 | 349,024 |
| | <u>1,949,677</u> | <u>2,138,428</u> |

10. DEFERRED TAX ASSET

| | Deferred taxation £ |
|---|---------------------------|
| At 1 April 2007 | 14,461 |
| Credited to the profit and loss account in the period | 3,808 |
| 31 December 2007 (see note 8) | <u>18,269</u> |

Deferred tax is provided as follows:

| | 31 December 2007 £ | 31 March 2007 £ |
|--------------------------------|--------------------------|-----------------------|
| Fixed asset timing differences | <u>18,269</u> | <u>14,461</u> |

The deferred tax asset has been recognised because, in the opinion of the directors, future taxable profits will be generated against which it can be relieved.

11. CALLED UP SHARE CAPITAL

| | 31 December 2007 £ | 31 March 2007 £ |
|---|--------------------------|-----------------------|
| Authorised | | |
| 1,000 Ordinary shares of £1 each | <u>1,000</u> | <u>1,000</u> |
| Called up, allotted and fully paid | | |
| 2 Ordinary shares of £1 each | <u>2</u> | <u>2</u> |

MENTAL HEALTH CARE (PLAS COCH) LIMITED

NOTES TO THE ACCOUNTS

Nine month period ended 31 December 2007

12. RESERVES

| | Revaluation reserve £ | Profit and loss account £ |
|-------------------------------|-----------------------------|------------------------------------|
| At 1 April 2007 | - | (757,748) |
| Revaluation surplus | 9,252,431 | - |
| Loss for the financial period | - | (125,532) |
| At 31 December 2007 | <u>9,252,431</u> | <u>(883,280)</u> |

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS/(DEFICIT)

| | 31 December 2007 £ | 31 March 2007 £ |
|---------------------------------------|--------------------------|-----------------------|
| Loss for the financial period | (125,532) | (216,624) |
| Surplus on revaluation | 9,252,431 | - |
| Opening shareholders' deficit | (757,746) | (541,122) |
| Closing shareholders' funds/(deficit) | <u>8,369,153</u> | <u>(757,746)</u> |

14. FINANCIAL COMMITMENTS

There were no contracted capital commitments at 31 December 2007 (31 March 2007 - £nil).

15. CONTINGENT LIABILITIES

In the prior year the company entered into an unlimited cross guarantee with both its ultimate parent undertaking as at 31 March 2007 and fellow subsidiary undertakings. This cross guarantee was terminated in the current period. The extent of bank borrowings covered by the cross guarantee at 31 December 2007 was £Nil (31 March 2007 - £3,865,111).

16. ULTIMATE CONTROLLING PARTY

The company is a subsidiary of Mental Health Care (UK) Limited a company registered in England and Wales. Up to 3 August 2007 the ultimate controlling party was M Adey-Jones. From that date the ultimate parent company and controlling party is Lydian Capital Partnership LP, a limited partnership registered in Jersey.

The parent undertaking of the largest group which includes the company, and for which group accounts are prepared, is Castle Holdings Limited, a company incorporated in Jersey. The parent undertaking of the smallest group which includes the company, and for which group accounts are prepared, is CB Care Limited, a company incorporated in England and Wales. A copy of both sets of group accounts can be obtained from the company's registered office at Suite 201, The Chambers, Chelsea Harbour, London, SW10 0XF.

17. RELATED PARTIES

The company has taken advantage of the exemption contained in Financial Reporting Standard No. 8 "Related Party Disclosures" which allows it not to disclose transactions with group entities or investees of the group qualifying as related parties.