

Company Registration No 02230827 (England and Wales)

ST CLOUD CARE PLC
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012



ST CLOUD CARE PLC

COMPANY INFORMATION

Directors	L D J Connell P M Connell
Secretary	D C Connell
Company number	02230827
Registered office	The Boynes, Upper Hook Road Upton on Severn Worcestershire WR8 0SB
Auditors	Elman Wall Limited 5 - 7 John Prince's Street London W1G 0JN

ST CLOUD CARE PLC

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ST CLOUD CARE PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2012

The directors present their report and financial statements for the year ended 31 March 2012

Principal activities and review of the business

The principal activity of the company continued to be that of the provision of residential and nursing care. The company terminated its day care services and associated domiciliary services, shortly after the year end.

Fair review of the business

Sales

As expected, turnover has increased by over 10.4% due to building occupancy within new high quality nursing care capacity which has been combined with a material improvement in the fixed asset stock, through continued property investment.

Profitability

Operating profitability has also improved - a considerable achievement in the context of a tougher trading environment. The directors are very pleased with this performance. Cost savings continue to accrue in part from lower interest rates, although staff costs inevitably rise with higher resident dependencies which need to be safely managed to deliver a high quality standard of care.

Tangible Fixed Assets

The company continues to follow its philosophy of investing in its Land & Buildings and Fixtures & Fittings, with new investment into chattels of a significantly higher quality, to further enhance the overall service experience offered to our customers. This year the company invested into two specialised units within its property stock.

Key Risks

The directors have a well established process of identifying business risks, evaluating controls and establishing and executing action plans. In the directors' opinion the key risks are:

Human Resources It is essential the company continues to recruit, retain and motivate high calibre personnel, particularly those appointed to senior positions.

Management of Operations The company has made strides in bringing consistency to the management of its clinical and other services and continues to meet and exceed the expectations of external stakeholders we work with. During the year, the company has continued to invest in its IT infrastructure at all of its care homes and will shortly complete a programme of computerised care planning throughout its homes.

Strategic Review of Operations The company's range of trading activities continues to diversify with greater dementia care services now offered throughout the three counties in which the company trades.

ST CLOUD CARE PLC

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

Key Performance Indicators

The key performance measures that the directors use to monitor the progress of the company's objectives are

Occupancy Rates - These have reduced slightly overall, largely reflecting the lead time in building in occupancy at an entirely new trading location, but this decline has been reversed since the year end and is now increasing again overall

Fee levels - These continue a positive trend as a greater proportion of our trade arises in more expensive trading environments

Gross Profit - Gross profit has increased by almost 2%

Staff and agency costs - The Company continues to recruit the vast majority of its staff directly and focuses on containing the use of agency staff. In 2012 the company succeeded in reducing spending on agency staff by almost half. Given the industry-wide skill shortages across the care sector, the directors are pleased with this achievement by the company. Agency costs comprise less than 1.7% of total staff wages, down from 3.53% of total staff wages last year.

Results and dividends

The results for the year are set out on page 6

Directors

The following directors have held office since 1 April 2011

L D J Connell

P M Connell

Employee involvement

The company's policy is to consult and discuss with employees, through regular meetings and group liaison, matters likely to affect employees' interests

Disabled persons

The company's policy is to recruit disabled workers for those vacancies that they are able to fill. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities

Creditor payment policy

It is the company's policy to pay trade creditors according to agreed terms and conditions

Auditors

In accordance with section 485 of the Companies Act 2006, a resolution proposing that Elman Wall Limited be reappointed as auditors of the company will be put to the Annual General Meeting

ST CLOUD CARE PLC

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

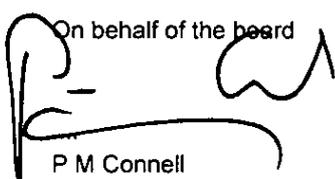
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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 of disclosure to auditors

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) 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 the company's auditors are aware of that information

On behalf of the board


P M Connell
Director

25/9/12

ST CLOUD CARE PLC

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ST CLOUD CARE PLC

We have audited the financial statements of St Cloud Care Plc on pages 6 to 19 for the year ended 31 March 2012. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 and 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any 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 2012 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.

ST CLOUD CARE PLC

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF ST CLOUD CARE PLC

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

Elman Wall Limited

Ian Palmer (Senior Statutory Auditor)
for and on behalf of Elman Wall Limited

25/09/2012

Chartered Accountants
Statutory Auditor

5 - 7 John Prince's Street
London
W1G 0JN

ST CLOUD CARE PLC

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 £	2011 £
Turnover	2	8,843,936	8,010,298
Cost of sales		(5,416,244)	(4,649,693)
Gross profit		3,427,692	3,360,605
Administrative expenses		(2,369,610)	(2,323,110)
Other operating income		24,714	24,211
Operating profit	3	1,082,796	1,061,706
Other interest receivable and similar income	4	6,742	7,598
Interest payable and similar charges	5	(478,840)	(439,229)
Profit on ordinary activities before taxation		610,698	630,075
Tax on profit on ordinary activities	6	(77,452)	(511,900)
Profit for the year	16	533,246	118,175

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

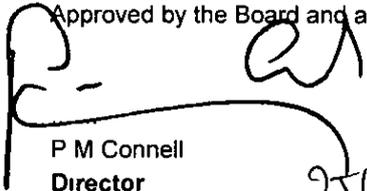
ST CLOUD CARE PLC

BALANCE SHEET

AS AT 31 MARCH 2012

	Notes	2012		2011	
		£	£	£	£
Fixed assets					
Tangible assets	8	16,372,549		15,287,984	
Current assets					
Stocks	9	20,529		17,519	
Debtors	10	2,430,889		470,724	
Cash at bank and in hand		595,038		999,418	
		<u>3,046,456</u>		<u>1,487,661</u>	
Creditors amounts falling due within one year	11	<u>(1,719,808)</u>		<u>(2,143,105)</u>	
Net current assets/(liabilities)		<u>1,326,648</u>		<u>(655,444)</u>	
Total assets less current liabilities		17,699,197		14,632,540	
Creditors amounts falling due after more than one year	12	(15,254,260)		(12,579,919)	
Provisions for liabilities	13	<u>(741,923)</u>		<u>(756,561)</u>	
		<u>1,703,014</u>		<u>1,296,060</u>	
Capital and reserves					
Called up share capital	15	50,000		50,000	
Revaluation reserve	16	1,335,504		1,335,504	
Profit and loss account	16	317,510		(89,444)	
Shareholders' funds	17	<u>1,703,014</u>		<u>1,296,060</u>	

Approved by the Board and authorised for issue on


P M Connell
Director

25/9/12

Company Registration No 02230827

ST CLOUD CARE PLC

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2012

	£	2012 £	£	2011 £
Net cash (outflow)/inflow from operating activities		(976,845)		2,284,484
Returns on investments and servicing of finance				
Interest received	6,742		7,598	
Interest paid	(478,840)		(439,229)	
Net cash outflow for returns on investments and servicing of finance		(472,098)		(431,631)
Taxation		(298,711)		(25,403)
Capital expenditure				
Payments to acquire tangible assets	(1,489,493)		(2,148,521)	
Receipts from sales of tangible assets	284,716		875,000	
Net cash outflow for capital expenditure		(1,204,777)		(1,273,521)
Equity dividends paid		(126,292)		(1,002,240)
Net cash outflow before management of liquid resources and financing		(3,078,723)		(448,311)
Financing				
New long term bank loan	3,648,835		1,781,281	
Repayment of long term bank loan	(700,786)		(340,276)	
Repayment of other short term loans	-		(9,627)	
(Repayment) of new / other long term loans	(273,706)		(333,731)	
Net cash inflow from financing		2,674,343		1,097,647
(Decrease)/increase in cash in the year		(404,380)		649,336

ST CLOUD CARE PLC

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2012

1	Reconciliation of operating profit to net cash (outflow)/inflow from operating activities		2012	2011
			£	£
	Operating profit		1,082,796	1,061,706
	Depreciation of tangible assets		48,926	50,381
	Loss on disposal of tangible assets		71,284	688,441
	Increase in stocks		(3,010)	(1,813)
	(Increase)/decrease in debtors		(1,960,165)	113,968
	(Decrease)/Increase in creditors within one year		(216,676)	371,801
	Net cash (outflow)/inflow from operating activities		<u>(976,845)</u>	<u>2,284,484</u>
2	Analysis of net debt	1 April 2011	Cash flow	Other non- 31 March 2012 cash changes
		£	£	£
	Net cash			
	Cash at bank and in hand	999,418	(404,380)	-
	Bank deposits	-	-	-
	Debt			
	Debts falling due within one year	(385,000)	-	-
	Debts falling due after one year	(12,579,919)	(2,674,341)	-
		<u>(12,964,919)</u>	<u>(2,674,341)</u>	<u>-</u>
	Net debt	<u>(11,965,501)</u>	<u>(3,078,721)</u>	<u>(15,044,222)</u>
3	Reconciliation of net cash flow to movement in net debt		2012	2011
			£	£
	(Decrease)/increase in cash in the year		(404,380)	649,336
	Cash inflow from increase in debt		(2,674,341)	(1,097,648)
	Movement in net debt in the year		<u>(3,078,721)</u>	<u>(448,312)</u>
	Opening net debt		(11,965,501)	(11,517,189)
	Closing net debt		<u>(15,044,222)</u>	<u>(11,965,501)</u>

ST CLOUD CARE PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards

1.3 Turnover

Revenue represents income received from residents of the company's nursing and care homes. Revenue is recognised as earned.

1.4 Tangible fixed assets and depreciation

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

Land and buildings Freehold	Nil
Fixtures, fittings & equipment	15% Reducing balance basis
Motor vehicles	25% Straight line basis

It is the company's practice to maintain all freehold buildings in a continual state of sound repair. The directors consider the long economic life of these assets and their residual values, based on annual revaluations, are such that depreciation would not be material.

1.5 Leasing

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

1.6 Stock

Stock is valued at the lower of cost and net realisable value.

1.7 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS17.

1.8 Deferred taxation

Deferred tax 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.

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

ST CLOUD CARE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

1 Accounting policies **(continued)**

19 Employee Benefit Trusts

Trusts have been established for the benefit of company employees and certain of their dependants. Monies held in these trusts are held by independent trustees and managed at their discretion. Where the company retains future economic benefit from, and has de facto control of the assets and liabilities of the trust, they are accounted for as assets and liabilities of the company until the earlier of the date that an allocation of trust funds to employees in respect of past services is declared and the date that assets of the trust vest in identified individuals.

2 Turnover

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

3 Operating profit	2012	2011
	£	£
Operating profit is stated after charging		
Depreciation of tangible assets	48,926	50,381
Loss on disposal of tangible assets	71,284	688,441
Operating lease rentals	119,378	47,608
Fees payable to the company's auditor for the audit of the company's annual accounts	12,643	10,848
	<u> </u>	<u> </u>
4 Investment income	2012	2011
	£	£
Bank interest	6,742	7,598
	<u> </u>	<u> </u>
	6,742	7,598
	<u> </u>	<u> </u>
5 Interest payable	2012	2011
	£	£
On bank loans and overdrafts	466,632	439,229
On other loans wholly repayable within five years	12,208	-
	<u> </u>	<u> </u>
	478,840	439,229
	<u> </u>	<u> </u>

ST CLOUD CARE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

6	Taxation	2012 £	2011 £
	Domestic current year tax		
	U K corporation tax	92,090	298,711
	Adjustment for prior years	-	(4,039)
	Total current tax	<u>92,090</u>	<u>294,672</u>
	Deferred tax		
	Deferred tax charge/credit current year	(14,638)	217,228
		<u>77,452</u>	<u>511,900</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>610,698</u>	<u>630,075</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 26.00% (2011 - 28.00%)	<u>158,781</u>	<u>176,421</u>
	Effects of		
	Non deductible expenses	50,788	193,121
	Depreciation in excess of capital allowances	(101,229)	(110,201)
	Adjustments to previous periods	-	(4,039)
	Other tax adjustments	(16,250)	39,370
		<u>(66,691)</u>	<u>118,251</u>
	Current tax charge for the year	<u>92,090</u>	<u>294,672</u>
7	Dividends	2012 £	2011 £
	Ordinary interim paid	<u>126,292</u>	<u>1,002,240</u>

ST CLOUD CARE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

8 Tangible fixed assets

	Land and buildings Freehold £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2011	15,022,233	974,837	15,250	16,012,320
Additions	1,455,583	-	33,910	1,489,493
Disposals	(356,000)	-	-	(356,000)
At 31 March 2012	16,121,816	974,837	49,160	17,145,813
Depreciation				
At 1 April 2011	-	709,086	15,250	724,336
Charge for the year	-	47,987	941	48,928
At 31 March 2012	-	757,073	16,191	773,264
Net book value				
At 31 March 2012	16,121,816	217,764	32,969	16,372,549
At 31 March 2011	15,022,233	265,751	-	15,287,984

In accordance with FRS15, the company's property assets are not revalued in the accounts. They are re-appraised periodically to ensure gearing does not breach acceptable levels. The Directors (one of whom is a Chartered Surveyor) have re-appraised the property assets reflecting the latest interpretation of Open Market Value at the Year end and consider the company's property assets can be fairly valued at £31.5M.

9 Stocks

	2012 £	2011 £
Raw materials and consumables	20,529	17,519

ST CLOUD CARE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

10 Debtors	2012	2011
	£	£
Trade debtors	508,079	340,952
Other debtors	1,850,052	84,347
Prepayments and accrued income	72,758	45,425
	<u>2,430,889</u>	<u>470,724</u>

11 Creditors amounts falling due within one year	2012	2011
	£	£
Bank loans and overdrafts	385,000	385,000
Trade creditors	255,614	515,195
Corporation tax	90,648	297,269
Other taxes and social security costs	110,076	98,138
Directors' current accounts	-	229,920
Other creditors	429,205	226,067
Accruals and deferred income	449,265	391,516
	<u>1,719,808</u>	<u>2,143,105</u>

ST CLOUD CARE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

12 Creditors amounts falling due after more than one year	2012 £	2011 £
Bank loans	15,254,260	12,306,211
Other loans	-	273,708
	<u>15,254,260</u>	<u>12,579,919</u>
Analysis of loans		
Not wholly repayable within five years by instalments		
Bank and other loans	-	9,943,233
Wholly repayable within five years	15,639,260	3,021,686
	<u>15,639,260</u>	<u>12,964,919</u>
Included in current liabilities	(385,000)	(385,000)
	<u>15,254,260</u>	<u>12,579,919</u>
Instalments not due within five years	-	9,943,233
	<u>-</u>	<u>9,943,233</u>
Loan maturity analysis		
In more than one year but not more than two years	385,000	385,000
In more than two years but not more than five years	2,251,686	2,251,686
In more than five years	13,002,574	9,943,233
	<u>13,002,574</u>	<u>9,943,233</u>

The bank loans, which have funded large developments, are secured by legal charges over the company's freehold properties and other assets. Interest was charged at between 1.1% and 5.5% above Bank of England Base Rate.

ST CLOUD CARE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

13 Provisions for liabilities

	Deferred tax liability £
Balance at 1 April 2011	756,561
Profit and loss account	(14,638)
	<hr/>
Balance at 31 March 2012	741,923
	<hr/> <hr/>

The deferred tax liability is made up as follows

	2012 £	2011 £
Accelerated capital allowances	741,923	756,561
	<hr/> <hr/>	<hr/> <hr/>

14 Pension and other post-retirement benefit commitments

Defined contribution

The company operates two defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the fund.

	2012 £	2011 £
Contributions payable by the company for the year	400,618	87,790
	<hr/> <hr/>	<hr/> <hr/>

15 Share capital

Allotted, called up and fully paid
50,000 Ordinary shares of £1 each

	2012 £	2011 £
	50,000	50,000
	<hr/> <hr/>	<hr/> <hr/>

ST CLOUD CARE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

16 Statement of movements on reserves

	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 April 2011	1,335,504	(89,444)
Profit for the year	-	533,246
Dividends paid	-	(126,292)
Balance at 31 March 2012	<u>1,335,504</u>	<u>317,510</u>

17 Reconciliation of movements in shareholders' funds

	2012	2011
	£	£
Profit for the financial year	533,246	118,175
Dividends	(126,292)	(1,002,240)
Net addition to/(depletion in) shareholders' funds	406,954	(884,065)
Opening shareholders' funds	<u>1,296,060</u>	<u>2,180,125</u>
Closing shareholders' funds	<u>1,703,014</u>	<u>1,296,060</u>

18 Financial commitments

At 31 March 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2013

	Land and buildings	
	2012	2011
	£	£
Operating leases which expire		
Within one year	9,375	9,375
Between two and five years	1,125	1,125
In over five years	10,000	-
	<u>20,500</u>	<u>10,500</u>

ST CLOUD CARE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

19 Directors' remuneration	2012 £	2011 £
Remuneration for qualifying services	140,323	135,834
Company pension contributions to defined contribution schemes	400,000	87,790
	<u>540,323</u>	<u>223,624</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2011 - 2)

20 Employees

Number of employees

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

	2012 Number	2011 Number
Care staff, domestic staff and administration	305	290
Management	15	15
	<u>320</u>	<u>305</u>

Employment costs

	2012 £	2011 £
Wages and salaries	1,391,224	1,189,013
Social security costs	3,874,795	3,331,652
Other pension costs	400,618	87,790
Costs of share option scheme	46,768	33,839
	<u>5,713,405</u>	<u>4,642,294</u>

21 Control

The ultimate parent company is St Cloud Group Limited, a company registered in England and Wales, which is controlled by the directors P M Connell and L D J Connell

ST CLOUD CARE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

22 Related party relationships and transactions

Loans to directors

Transactions in relation to loans with directors during the year are outlined in the table below

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
L D J Connell - Loan	2.49	-	257,492	1,828	-	259,320
P M Connell - Loan	2.49	-	257,492	1,828	-	259,320
		-	<u>514,984</u>	<u>3,656</u>	-	<u>518,640</u>

These loans were repaid after the year end

P M Connell and L D J Connell, the directors of the company, are also the trustees of the St Cloud Care Directors Pension Scheme. The company has entered into a long term lease with the pension scheme for the use of the land on which the company is responsible for building and maintaining a new property. The annual cost of the lease is £10,000.