


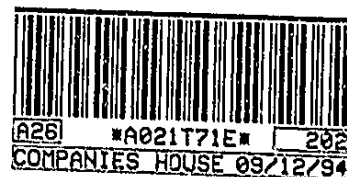
266 38 68

Farm Place Limited

Report and Accounts

30 June 1994

 ERNST & YOUNG



Farm Place Limited

Registered No. 2063868

DIRECTORS

R House

A Best

SECRETARY

A Best

AUDITORS

Ernst & Young

One Bridewell Street

Bristol

SOLICITORS

Peter Moorby

Old Kennels Cottage

Dunsfold

Godalming

Surrey

REGISTERED OFFICE

Stane Street

Ockley

Surrey

ERNST & YOUNG

Farm Place Limited
DIRECTORS' REPORT

The directors present their report and accounts for the year ended 30 June 1994.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £100,393 (1993 - £197,193).

The directors paid a dividend of £50,000 during the year.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The activity of the company continues to be the rehabilitation of alcoholics and drug users, and the treatment of eating disorders.

DIRECTORS AND THEIR INTERESTS

The directors at 30 June 1994, none of whom was interested in the share capital of the company during the year, were as follows:

A Best
R House (appointed 6 November 1993)

In addition G Carter served as a director until he resigned on 14 September 1993 and J Frith served as a director until he was removed on 6 November 1993.

AUDITORS

A resolution to reappoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

SMALL COMPANY EXEMPTIONS

The directors have taken advantage of the exemptions conferred by Part II of Schedule 8 to the Companies Act 1985.

By order of the Board

William J. Best

Secretary

date 11 November 1994

Farm Place Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit of the company for that period. In preparing those accounts, 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 accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts 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 which disclose with reasonable accuracy at any time the accounts of the company and to enable them to ensure that the accounts comply with the Companies Act. 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.

REPORT OF THE AUDITORS
to the members of Farm Place Limited

We have audited the accounts on pages 6 to 11 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on these accounts and to report our opinion to you.

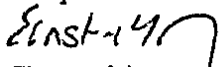
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 30 June 1994 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Chartered Accountants
Registered Auditor
Bristol

date 29/11/94

Farm Place Limited

PROFIT AND LOSS ACCOUNT

for the year ended 30 June 1994

	<i>Notes</i>	<i>1994</i> £	<i>1993</i> £
TURNOVER		981,975	1,087,147
Administrative expenses		854,762	802,124
OPERATING PROFIT		127,213	285,023
Bank interest receivable	5	6,484	7,084
Interest payable	6	(977)	(816)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		132,720	291,291
Tax on profit on ordinary activities	7	32,327	94,098
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		100,393	197,193
Dividends	8	50,000	130,000
PROFIT FOR THE YEAR		50,393	67,193
Accumulated profit brought forward		67,193	-
ACCUMULATED PROFIT CARRIED FORWARD		117,586	67,193

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the year ended 30 June 1994

There are no recognised gains or losses other than the profit attributable to shareholders of the company of £100,393 in the year ended 30 June 1994 and the profit of £197,193 in the year ended 30 June 1993.

ERNST & YOUNG

Farm Place Limited

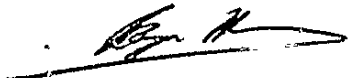

BALANCE SHEET

at 30 June 1994

	Notes	1994 £	1993 £
FIXED ASSETS			
Tangible assets	9	<u>2,369,393</u>	<u>2,392,357</u>
CURRENT ASSETS			
Stocks		7,823	5,100
Debtors	10	86,010	147,920
Cash at bank and in hand		234,810	151,283
		<u>328,643</u>	<u>304,303</u>
CREDITORS: amounts falling due within one year	11	<u>82,360</u>	<u>131,377</u>
NET CURRENT ASSETS		<u>246,283</u>	<u>172,926</u>
		<u>2,615,676</u>	<u>2,565,283</u>
CAPITAL AND RESERVES			
Called up share capital	12	4	4
Share premium account	13	2,498,086	2,498,086
Profit and loss account		117,586	67,193
		<u>2,615,676</u>	<u>2,565,283</u>

ERNST & YOUNG

The directors have taken advantage of the exemptions conferred by Part I of Schedule 8 to the Companies Act 1985, on the grounds that the company is entitled to the benefit of those exemptions as a small company.

)
) Directors
)

date 11 November 1994

Farm Place Limited

NOTES TO THE ACCOUNTS

at 30 June 1994

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold property, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold property	- over the lease term
Motor vehicles	- over 4 years
Furniture and fittings	- over 7 years

It is the directors' opinion that it is unnecessary to provide for depreciation on freehold property where the estimated remaining life exceeds 50 years, as it is the company's policy to maintain its property in good condition so as to prolong its useful life and to preserve trading levels. Accordingly the residual value of freehold property will not be less than its respective book amount. Costs of repair and maintenance are charged against revenue in the year in which they are incurred.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Deferred taxation

Provision is made for deferred taxation, using the liability method, in respect of timing differences except where the tax is unlikely to become payable in the foreseeable future.

Turnover

Turnover represents amounts invoiced to third parties, net of value added tax.

Turnover is attributable to one activity, the provision of rehabilitation service to alcoholics and drug users, and all arises in the United Kingdom.

2. OPERATING PROFIT

This is stated after charging

	1994	1993
	£	£
Auditors' remuneration	4,000	5,000
Depreciation	25,362	22,178

3. DIRECTORS' REMUNERATION

	1994	1993
	£	£
Fees	3,750	-

Farm Place Limited

NOTES TO THE ACCOUNTS

at 30 June 1994

4. STAFF COSTS

	1994	1993
	£	£
Wages and salaries	370,486	358,887
Social security costs	35,515	33,201
Other pension costs	34,476	30,906
	<u>440,477</u>	<u>402,994</u>

The average weekly number of employees during the year was as follows:

	1994	1993
	No.	No.
Domestic	8	7
Nursing/counselling	13	13
Administration	2	2
	<u>23</u>	<u>22</u>

5. INTEREST RECEIVABLE

	1994	1993
	£	£
Bank interest receivable	<u>6,484</u>	<u>7,084</u>

6. INTEREST PAYABLE

	1994	1993
	£	£
Bank interest payable	<u>977</u>	<u>816</u>

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1994	1993
	£	£
Based on the profit for the year:		
Corporation tax at 25%	37,056	94,098
Overprovision in prior year	(4,729)	-
	<u>32,327</u>	<u>94,098</u>

If full provision had been made for deferred taxation for the year, the taxation charge would have been increased by £9,602 as follows:

	1994	1993
	£	£
Capital allowances in advance of depreciation	<u>9,602</u>	<u>13,292</u>

Farm Place Limited

NOTES TO THE ACCOUNTS

at 30 June 1994

8. DIVIDENDS

	1994	1993
	£	£
Ordinary - interim paid	<u>50,000</u>	<u>130,000</u>

9. TANGIBLE FIXED ASSETS

	<i>Freehold property</i>	<i>Leasehold property</i>	<i>Furniture and fittings</i>	<i>Motor vehicles</i>	<i>Total</i>
	£	£	£	£	£
Cost:					
At 1 July 1993	2,040,750	226,500	110,349	36,935	2,414,534
Additions	-	-	7,727	-	7,727
At 30 June 1994	<u>2,040,750</u>	<u>226,500</u>	<u>118,076</u>	<u>36,935</u>	<u>2,422,261</u>
Depreciation:					
At 1 July 1993	-	-	16,192	5,985	22,177
Charge for year	-	5,329	16,961	8,401	30,691
At 30 June 1994	<u>-</u>	<u>5,329</u>	<u>33,153</u>	<u>14,386</u>	<u>52,868</u>
Net book value:					
At 30 June 1994	<u>2,040,750</u>	<u>221,171</u>	<u>84,923</u>	<u>22,549</u>	<u>2,369,393</u>
At 30 June 1993	<u>2,040,750</u>	<u>226,500</u>	<u>94,158</u>	<u>30,950</u>	<u>2,392,357</u>

10. DEBTORS

	1994	1993
	£	£
Trade debtors	66,204	145,194
Other debtors	13,455	-
Prepayments	6,351	2,726
	<u>86,010</u>	<u>147,920</u>

11. CREDITORS: amounts falling due within one year

	1994	1993
	£	£
Bank overdraft	1,075	20,232
Trade creditors	5,987	4,079
Current corporation tax	37,056	94,098
Advanced corporation tax	12,500	12,968
Other taxes and social security costs	11,922	-
Accruals	13,820	-
	<u>82,360</u>	<u>131,377</u>

NOTES TO THE ACCOUNTS

at 30 June 1994

12. SHARE CAPITAL

	1994	Authorised 1993	Allocated, called up and fully paid 1994	1993
	£	£	£	£
Ordinary shares of £1 each	100	100	4	4

13. SHARE PREMIUM

	1994	1993
	£	£
Arising on issue of shares during the year	-	2,498,086

14. PENSION COMMITMENTS

The company operates a defined contribution pension scheme for its senior employees. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

15. TRANSACTIONS WITH DIRECTORS

During the year, £6,229 has been paid to FC Corporate Finance Limited of which J Frith and G Carter are directors. In addition £12,663 has been paid to Ovalspire Limited of which A Best is a director.

All these transactions were at arm's length.

ERNST & YOUNG