

BLOOMFIELD CARE CENTRE LIMITED
(A company limited by guarantee and without a share capital)

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

BLOOMFIELD CARE CENTRE LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

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BLOOMFIELD CARE CENTRE LIMITED

DIRECTORS AND OTHER INFORMATION

DIRECTORS

Maurice Cohen
Kevin Conlon
John Davey
Glynn Douglas
Shirley Douglas
Robin Goodbody
Helen Haughton
Robert Haughton
Gavin Johnson
Arthur Stewart Jordan
Charles Lamb
John McNeilly
Irwin Pearson
Drewry Pearson
Jonathan Pim
Joy Simpson
Dr. David Thomas
Harold Wann
Erica Allen

SECRETARY

Drewry Pearson

COMPANY NUMBER

412474

REGISTERED OFFICE

Stocking Lane
Rathfarnham
Dublin 16

AUDITORS

Ormsby & Rhodes
Chartered Accountants
Registered Auditors
9 Clare Street
Dublin 2

BUSINESS ADDRESS

Stocking Lane
Rathfarnham
Dublin 16

BANKERS

Ulster Bank Limited
63 Ranelagh
Dublin 6

BLOOMFIELD CARE CENTRE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

The directors present their report and the financial statements for the year ended 31 December 2008.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the surplus or deficit of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and 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 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Acts 1963 to 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.

BOOKS OF ACCOUNT

The measures taken by the directors to ensure compliance with the requirements of Section 202, Companies Act, 1990, regarding proper books of account are the implementation of necessary policies and procedures for recording transactions, the involvement of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The books of account of the company are maintained at Stocking Lane, Rathfarnham, Dublin 16.

RESULTS

The deficit for the year amounted to €244,430. (2007 : surplus of €36,163).

REVIEW OF THE BUSINESS

The principal activity of the company is the operation of a hospital, nursing home and sheltered housing.

The directors consider the result for the year and the year end position to be satisfactory in light of the company's continuing development programme.

DIRECTORS

On 31 March 2008 Thomas Quearney resigned as a director of the company.

In accordance with the Articles of Association Drewry Pearson, John McNeilly , Kevin Conlon, Irwin Pearson and Maurice Cohen, retire by rotation and being eligible, offer themselves for re-election. Jonathan Pim has been re-nominated as the Ireland Yearly Meeting representative and being eligible offers himself for re-election. John Davey has been re-nominated as the Kylemore Clinic representative and being eligible offers himself for re-election. The remainder of the directors are not due to retire and continue in office.

POST BALANCE SHEET EVENTS

The bank loans were repaid in full since the year end.

The market value of investments held has continued to decrease since the year end.

BLOOMFIELD CARE CENTRE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

FUTURE DEVELOPMENTS

The company signed an agreement with Kylemore Clinic on the 17 December 2007 that Kylemore Clinic would, subject to approval by its EGM, transfer its operations and net assets to Bloomfield Care Centre Limited. It is anticipated that this transfer will happen in 2009.

On 14 December 2007 Bloomfield Care Centre Limited entered into a 30 year agreement with the Health Service Executive whereby the Health Service Executive agreed to provide a grant in the amount of €17,000,000 to Bloomfield Care Centre Limited for the construction of a new health care facility at Stocking Lane, Rathfarnham. It is anticipated that this facility will come online during 2009.

In the meantime the main activities of the company remain unchanged and the directors anticipate that any future developments would relate to these activities.

AUDITORS

The auditors, Ormsby & Rhodes, have indicated their willingness to continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

TAXATION STATUS

The company has charitable status with the Revenue Commissioners. The income and property of the company is exempt from Income/Corporation Tax, Capital Gains Tax and Deposit Interest Retention Tax in accordance with the provisions of Section 207 of the Taxes Consolidation Act, 1997 (as applied to Companies by Section 76, TCA, Section 609 (Capital Gains Tax) and Section 266 (Deposit Interest Retention Tax).

On behalf of the Board

Drewry Pearson

Robert Haughton

Directors

21 April 2009

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BLOOMFIELD CARE CENTRE LIMITED

We have audited the financial statements on pages 7 to 17 of Bloomfield Care Centre Limited for the year ended 31 December 2008 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. 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 on page 9.

Respective responsibilities of directors and auditors

As described in the statement of directors responsibilities on page 3, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland.

This report is made solely to the company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. 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 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.

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, in accordance with Generally Accepted Accounting Practice in Ireland, and are properly prepared in accordance with the Companies Acts, 1963 to 2006. We also report to you whether in our opinion: proper books of account have been kept by the company; whether, at the balance sheet date, there exists a financial situation requiring the convening of an extraordinary general meeting of the company; and whether the information given in the directors' report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the financial statements are in agreement with the books of account.

We report to you if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not disclosed and, where practicable, include such information in our report.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatement 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BLOOMFIELD CARE CENTRE LIMITED

Opinion

In our opinion the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the company's affairs as at the 31 December 2008 and of its deficit for the year then ended and have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 2006.

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion, the information given in the directors' report on pages 3 and 4 is consistent with the financial statements.

Dublin

22 April 2009

Ormsby & Rhodes

CHARTERED ACCOUNTANTS

REGISTERED AUDITORS

BLOOMFIELD CARE CENTRE LIMITED

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 DECEMBER 2008

	<u>Notes</u>	<u>2008</u> €	<u>2007</u> €
INCOME	3	4,769,531	4,632,748
Administrative expenses		<u>(5,020,531)</u>	<u>(4,601,749)</u>
OPERATING (DEFICIT)/SURPLUS	4 / 5	(251,000)	30,999
INTEREST RECEIVABLE AND SIMILAR INCOME	6	6,570	5,164
(DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES	16	(244,430)	36,163
(Deficit)/Surplus on Samuel Merrin Fund	16	(235,797)	19,832
Transfer to Samuel Merrin Fund	16	235,797	(19,832)
(Deficit)/Surplus on Development Fund	16	(1,073,765)	54,522
Transfer to Development Fund	16	1,073,765	(54,522)
(Deficit)/Surplus on Friends of Bloomfield Fund	16	13,075	58,765
Transfer to Friends of Bloomfield Fund	16	(13,075)	58,765
(LOSS)/RETAINED SURPLUS FOR THE YEAR		(244,430)	36,163
ACCUMULATED (LOSS) BROUGHT FORWARD		(216,346)	(252,509)
ACCUMULATED (LOSS) CARRIED FORWARD		(460,776)	(216,346)

There are no recognised gains or losses other than the results disclosed above and there have been no discontinued activities or acquisitions in the current year.

Drewry Pearson

Robert Haughton
Directors

BLOOMFIELD CARE CENTRE LIMITED

BALANCE SHEET

31 DECEMBER 2008

	<u>Notes</u>	<u>2008</u>		<u>2007</u>	
		€	€	€	€
FIXED ASSETS					
Tangible assets	9	27,455,858		15,369,959	
Investments	10	1,794,858		3,460,781	
		<u> </u>		<u> </u>	
		29,250,716		18,830,740	
DEBTORS: amounts falling due after more than one year					
	11	10,706,460		10,706,460	
CURRENT ASSETS					
Debtors	12	324,706		318,483	
Cash at bank and in hand		887,532		644,031	
		<u> </u>		<u> </u>	
		1,212,238		962,514	
CREDITORS: amounts falling due within one year					
	13	(2,841,768)		(684,489)	
		<u> </u>		<u> </u>	
NET CURRENT LIABILITIES					
		(1,629,530)		278,025	
		<u> </u>		<u> </u>	
		38,327,646		29,815,225	
CREDITORS: amounts falling due after more than one year					
	14	(11,593,622)		(1,720,284)	
		<u> </u>		<u> </u>	
TOTAL NET ASSETS					
		26,734,024		28,094,941	
		<u> </u>		<u> </u>	
RESERVES					
Capital reserve	16	24,756,658		24,435,742	
Other reserves	16	2,438,142		3,875,545	
Revenue surplus	16	(460,776)		(216,346)	
		<u> </u>		<u> </u>	
		26,734,024		28,094,941	
		<u> </u>		<u> </u>	

Approved by the Board on 21 April 2009

Drewry Pearson
Robert Haughton
Directors

BLOOMFIELD CARE CENTRE LIMITED

NOTES AND ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2008

1. ACCOUNTING POLICIES

1.1. Accounting convention

The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board as promulgated by the Institute of Chartered Accountants in Ireland.

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2. Income

Income represents fees from patients and residents, rent and investment income.

1.3. Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred.

1.4. Depreciation of tangible fixed assets

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land	-	not depreciated
Buildings	-	2.5% Straight Line
Computer Equipment	-	25% Straight Line
Fixtures, fittings and equipment	-	10% Straight Line

1.5. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6. Government Grants

Government grants are treated as deferred income in the balance sheet in accordance with SSAP 4 - Accounting for Government Grants. An amount of this deferred income will be credited to the profit and loss account by instalments over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

2. COMPARATIVE FIGURES

The comparative figures have been re-stated on a basis consistent with the current financial year.

BLOOMFIELD CARE CENTRE LIMITED

NOTES AND ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

3. INCOME

The total income of the company for the year has been derived from its principal activity wholly undertaken in the Republic of Ireland and from rents, dividends and interest.

4. OPERATING (DEFICIT)/SURPLUS	<u>2008</u> €	<u>2007</u> €
Operating (deficit)/surplus is stated after charging:		
Staff costs (note 5)	2,699,647	2,346,348
Depreciation of tangible assets	409,567	305,992
	<u> </u>	<u> </u>

5. EMPLOYEES

Number of employees

The average monthly numbers of employees during the year were:

	<u>2008</u> Number	<u>2007</u> Number
Nursing and Administration	65	62
	<u> </u>	<u> </u>

Employment costs

	<u>2008</u> €	<u>2007</u> €
Wages and salaries	2,699,647	2,346,348
	<u> </u>	<u> </u>

6. INTEREST RECEIVABLE AND SIMILAR INCOME	<u>2008</u> €	<u>2007</u> €
Bank interest	6,570	5,164
	<u> </u>	<u> </u>

BLOOMFIELD CARE CENTRE LIMITED

NOTES AND ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

7. AMOUNTS WRITTEN OFF INVESTMENTS	<u>2008</u>	<u>2007</u>
	€	€
Amounts written off fixed asset investments:		
- permanent diminution in value (Development Fund) (see note 10)	1,241,755	-
- permanent diminution in value (Samuel Merrin Fund) (see note 10)	180,317	-
	<hr/>	<hr/>
	1,422,072	-
	<hr/> <hr/>	<hr/> <hr/>

Shares in Banks, Property, Oil, General Retail and selected others bought at the top of the market have been written down to market values at 31 December 2008.

8. TAXATION

The company has charitable status with the Revenue Commissioners. The income and property of the company is exempt from Income/Corporation Tax, Capital Gains Tax and Deposit Interest Retention Tax in accordance with the provisions of Section 207 of the Taxes Consolidation Act, 1997 (as applied to Companies by Section 76, TCA, Section 609 (Capital Gains Tax) and Section 266 (Deposit Interest Retention Tax).

BLOOMFIELD CARE CENTRE LIMITED

NOTES AND ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

9. TANGIBLE ASSETS

	<u>Land and buildings</u> €	<u>Computer equipment</u> €	<u>Fixtures, fittings equipment</u> €	<u>Total</u> €
Cost/revaluation				
At 1 January 2008	15,291,856	39,861	433,003	15,764,720
Additions during year	12,339,094	5,576	150,796	12,495,466
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2008	27,630,950	45,437	583,799	28,260,186
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 January 2008	293,023	17,820	83,918	394,761
Charge for the year	342,920	10,946	55,701	409,567
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2008	635,943	28,766	139,619	804,328
	<hr/>	<hr/>	<hr/>	<hr/>
Net book values				
At 31 December 2008	26,995,007	16,671	444,180	27,455,858
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2007	14,998,833	22,041	349,085	15,369,959
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Fixed Asset Additions

The additions to land & buildings represent €12,339,094, being Phase I development of €13,806 and Phase II development of €12,025,288 in respect of development of the premises at Stocking Lane, Rathfarnham, Dublin 16.

The cost to date of the ongoing development of Phase II of the premises at Stocking Lane, Rathfarnham represents €13,896,616. These additions will not be depreciated until such time as the new premises is complete and fully in use. The HSE grant receivable in relation to this development will also be amortised to the profit and loss account at this time (See note 13).

On 15 May 2007 Bloomfield Care Centre Limited exercised its option to acquire title to the freeholds of lands at Stocking Lane, Rathfarnham save the footprint of the Nursing Home (see note 17). An amount of €12,885,784 has been capitalised in relation to this transaction and forms part of the opening balance of €15,291,856.

Included in Land and buildings and Fixtures, fittings and equipment additions are the costs of the Kitchen refurbishment. Part of this cost was met from the Development Fund (see note 16). However the original cost of the Kitchen has not been written out of the accounts.

BLOOMFIELD CARE CENTRE LIMITED

NOTES AND ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

10. INVESTMENTS

	Listed	Samuel Merrin Fund Listed	
	<u>Investments</u>	<u>Investments</u>	<u>Total</u>
	€	€	€
Cost			
At 1 January 2008	2,919,852	540,929	3,460,781
Additions	49,769	-	49,769
Disposals	(203,882)	(89,738)	(293,620)
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2008	2,765,739	451,191	3,216,930
	<u> </u>	<u> </u>	<u> </u>
Provisions for diminution in value:			
Movement	1,241,755	180,317	1,422,072
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2008	1,241,755	180,317	1,422,072
	<u> </u>	<u> </u>	<u> </u>
Net book values			
At 31 December 2008	1,523,984	270,874	1,794,858
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2007	2,919,852	540,929	3,460,781
	<u> </u>	<u> </u>	<u> </u>
Market Value at 31 December 2008	1,442,249	287,992	
	<u> </u>	<u> </u>	
Market Value at 31 December 2007	3,098,960	551,877	
	<u> </u>	<u> </u>	

Shares in Banks, Property, Oil, General Retail and selected others bought at the top of the market have been written down to market values at 31 December 2008.

11. DEBTORS: amounts falling due after more than one year

	<u>2008</u>	<u>2007</u>
	€	€
Debtors	10,706,460	10,706,460
	<u> </u>	<u> </u>

The amount of €10,706,460 is held by Orpen Franks solicitors in escrow for 'Put and Call Option' entitling Bloomfield Care Centre Limited to acquire the footprint of the Nursing Home at Stocking Lane, Rathfarnham, Dublin 16. This Option can only be exercised at the end of the 10 year period on 27 February 2015 when the tax life of the Nursing Home has expired.

BLOOMFIELD CARE CENTRE LIMITED

NOTES AND ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

12. DEBTORS: amounts falling due within one year

	<u>2008</u>	<u>2007</u>
	€	€
Trade debtors	210,078	256,536
Other debtors (see below)	82,620	51,376
Prepayments and accrued income	32,008	10,571
	<hr/>	<hr/>
	324,706	318,483
	<hr/> <hr/>	<hr/> <hr/>

Included in Other Debtors at 31 December 2008 are the following:

	<u>2008</u>	<u>2007</u>
	€	€
Goodbody Deposits - Bloomfield Care Centre Limited	37,743	36,556
Goodbody Deposits - Samuel Merrin Fund	44,877	12,114
Sundry debtors	-	2,706
	<hr/>	<hr/>
	82,620	51,376
	<hr/> <hr/>	<hr/> <hr/>

BLOOMFIELD CARE CENTRE LIMITED

NOTES AND ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

13. CREDITORS: amounts falling due within one year	<u>2008</u> €	<u>2007</u> €
Bank loans (see 13.2 below)	1,843,931	-
Trade creditors	149,380	175,325
PAYE/PRSI	61,034	-
Other creditors	188,774	102,092
Accruals	198,869	407,072
Deferred Income (see 13.1 below)	399,780	-
	<u>2,841,768</u>	<u>684,489</u>

13.1 On 14 December 2007 Bloomfield Care Centre Limited entered into a 30 year agreement with the Health Service Executive whereby the Health Service Executive agreed to provide a grant in the amount of €7,000,000 to Bloomfield Care Centre Limited for the construction of a new health care facility at Stocking Lane, Rathfarnham (Phase II). An instalment of €10,273,118 was received from the Health Service Executive during the year ended 31 December 2008 which is included in the accounts as deferred income in accordance with SSAP 4 - Accounting for Government Grants. This grant may become repayable to the Health Service Executive in the event of certain conditions not being met. According to SSAP 4 - Accounting for Government Grants an amount of the deferred income must be credited to the profit and loss account on a basis consistent with the depreciation policy for land and buildings. The depreciation for Phase II development will commence when the building is complete and fully in use (see note 9) and therefore the amortisation of the deferred income will also begin at this stage.

13.2 The bank borrowings are secured by:

1. A First Legal Mortgage over the 9.5 acres of land at Stocking Lane exclusive of
 - the ground floor footprint of the existing 79 bed care centre and
 - the footprint of the proposed 76 bed extension (which will be charged to the HSE)
 but inclusive of the first floor and overhead airspace of the existing 79 bed care facility (Phase I)

2. First Legal Mortgage over the leasehold interest in the ground floor of the existing 79 bed facility (Phase I) - subject to the necessary letter of consent from the freehold owner

3. First Legal Charge over the 'Put and Call' option to buy the freehold interest of the ground floor 79 bed facility (Phase I)

14. CREDITORS: amounts falling due after more than one year	<u>2008</u> €	<u>2007</u> €
Deferred Income (see 13.1)	11,593,622	1,720,284
	<u>11,593,622</u>	<u>1,720,284</u>

BLOOMFIELD CARE CENTRE LIMITED

NOTES AND ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

15. SHARE CAPITAL

The company is limited by guarantee and without a share capital.

16. EQUITY RESERVES

	Development Fund <u>reserve</u> €	Refur- bishment <u>reserve</u> €	Income and expenditure <u>account</u> €	Capital <u>reserve</u> €	Samuel Merrin fund <u>reserve</u> €	Friends of Bloomfield <u>reserve</u> €	<u>Total</u> €
At 1 January 2008	3,054,161	165,000	(216,346)	24,435,742	585,599	70,785	28,094,941
Retained (Deficit)/ Surplus for the year	(1,073,765)	-	(244,430)	-	(235,797)	13,075	(1,540,917)
Transfer (to)/from Bloomfield Care Centre Limited (see note 16.2)	(320,916)	-	-	320,916	-	-	-
Transfer to Refurbishment Reserve (see note 16.3)	-	180,000	-	-	-	-	180,000
At 31 December 2008	1,659,480	345,000	(460,776)	24,756,658	349,802	83,860	26,734,024

16.1 Restatement of Reserves

The Board of Directors approved the restatements of opening reserves as at 1 January 2007. The purpose of this restatement of reserves was to bring the reserves and matching assets into line and to more clearly define the purpose of each reserve fund.

16.2 Capital Reserve

An amount of €320,916 was transferred from the Development Fund in respect of the Kitchen refurbishment.

16.3 Refurbishment Reserve

The directors reserve an amount under a Refurbishment Reserve at their discretion to provide for future refurbishment of Bloomfield Care Centre Limited.

BLOOMFIELD CARE CENTRE LIMITED

NOTES AND ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

17. EXCHANGE OF PROPERTIES

On 24 February 2005 Bloomfield Hospital disposed of its property at Bloomfield Avenue, Donnybrook, Dublin 4 to Edward Commercial Assets Limited (part of the Radical Properties Limited Group) in exchange for a property at Stocking Lane, Rathfarnham, Dublin 16.

Total consideration on disposal of the property at Donnybrook was €27,302,903 (exclusive of VAT).

The agreement included a VAT indemnity for Bloomfield Hospital i.e. that it would not be exposed to a VAT liability in respect of this transaction.

At 31 December 2007 and 31 December 2008 a balance of €10,706,460 was held in escrow for Bloomfield Care Centre Limited by Orpen Franks Solicitors in respect of this transaction. (See note 11)

On exercise of the Options Bloomfield Care Centre Limited would endorse the cheque back to Edward Commercial Assets Limited.

During the period of the "Put and Call" option the company has a leasehold interest in property it occupies at Stocking Lane at a nominal annual rent.

18. CONTINGENT LIABILITIES

18.1 Bloomfield Care Centre Limited must continue to trade as a registered, certified nursing home for 10 years. In the event of a default by Bloomfield Care Centre Limited resulting in the Radical Properties Limited Group suffering a claw back of capital allowances claimed, there will be a clawback in the amount of the €1,006,053.

18.2 In addition if claw back arises due to default by Bloomfield Care Centre Limited it will be obliged to pay fees to Radical Properties Limited Group subject to a maximum of €50,000 (inclusive of VAT).

19. RELATED PARTY DISCLOSURES

19.1 Ultimate Control

There is no ultimate controlling party. From day to day the directors control the company on behalf of the subscribers.

19.2 Related party disclosures

Related party disclosures have been dealt with in notes 9, 10, 17 and 18.

20. POST BALANCE SHEET EVENTS

There were no post balance sheet events which require disclosure.

BLOOMFIELD CARE CENTRE LIMITED

MANAGEMENT INFORMATION

DETAILED INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 DECEMBER 2008

	<u>2008</u>		<u>2007</u>	
	€	€	€	€
INCOME				
Fees from patients and residents	4,727,895		4,593,375	
Rent receivable	20,467		21,444	
Other Income	21,169		17,929	
	<hr/>		<hr/>	
	4,769,531		4,632,748	
Direct Salaries	2,699,647		2,346,348	
Nursing Agency Fees	88,874		97,189	
Catering and Cleaning	788,672		809,875	
Rent and rates	31,679		41,055	
Insurance	39,114		53,586	
Gas	93,625		91,474	
Electricity	83,474		73,991	
Repairs and maintenance	114,467		91,258	
Security	131,420		119,578	
Printing, postage and stationery	11,643		9,090	
Telephone	14,303		12,399	
Medical Expenses	116,472		50,303	
Transport	9,856		35,735	
Nursing Costs	62,237		49,455	
Legal and professional	64,902		126,694	
Patients' incidentals	4,273		(7,503)	
Audit and accountancy	30,630		28,900	
Bank charges	307		489	
Bad debts	12,034		83,707	
General expenses	33,335		17,134	
Provision for Refurbishment (note 21)	180,000		165,000	
Depreciation on buildings	342,920		248,014	
Depreciation on computer equipment	10,946		14,678	
Depreciation on fixtures, fittings & equipment	55,701		43,300	
	<hr/>		<hr/>	
	(5,020,531)		(4,601,749)	
OPERATING (DEFICIT) (SEE NOTE 16)	(251,000)		30,999	
	<hr/> <hr/>		<hr/> <hr/>	

BLOOMFIELD CARE CENTRE LIMITED

SAMUEL MERRIN FUND

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 DECEMBER 2008

	<u>2008</u>	<u>2007</u>
	€	€
INCOME		
Investment income and interest received	20,750	20,726
(Loss)/Profit on disposal of investments	(70,405)	6,791
	<hr/>	<hr/>
	(49,655)	27,517
EXPENDITURE		
Disbursements to patients	-	(4,181)
Nurse training	(3,034)	-
Management Fees	(2,791)	(3,504)
	<hr/>	<hr/>
	(55,480)	19,832
Amounts written off fixed asset investments		
- permanent diminution in value (see notes 10 & 16)	(180,317)	-
	<hr/>	<hr/>
(DEFICIT)/SURPLUS FOR THE YEAR (SEE NOTE 16)	(235,797)	19,832
	<hr/> <hr/>	<hr/> <hr/>

BLOOMFIELD CARE CENTRE LIMITED

DEVELOPMENT FUND

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 DECEMBER 2008

	<u>2008</u>	<u>2007</u>
	€	€
INCOME		
Investment income and interest received	104,072	58,528
Profit on disposal of investments	80,255	11,116
	<hr/>	<hr/>
	184,327	69,644
EXPENDITURE		
Management fees	(16,337)	(15,122)
	<hr/>	<hr/>
	167,990	54,522
Amounts written off fixed asset investments		
- permanent diminution in value (see notes 10 & 16)	(1,241,755)	-
	<hr/>	<hr/>
(DEFICIT)/SURPLUS FOR THE YEAR (SEE NOTE 16)	(1,073,765)	54,522
	<hr/> <hr/>	<hr/> <hr/>

An amount of €20,916 was given to Bloomfield Care Centre Limited from this fund to assist in the refurbishment of the kitchen (see notes 9 and 16)

BLOOMFIELD CARE CENTRE LIMITED

FRIENDS OF BLOOMFIELD FUND

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 DECEMBER 2008

	<u>2008</u>	<u>2007</u>
	€	€
INCOME		
Donations received	33,142	78,781
	<hr/>	<hr/>
	33,142	78,781
EXPENDITURE		
Expenses	(20,067)	(20,016)
	<hr/>	<hr/>
SURPLUS FOR THE YEAR (SEE NOTE 16)	<u>13,075</u>	<u>58,765</u>