

NOVAHEATH LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997

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Company No. 02428421



NOVAHEATH LIMITED
REPORT OF THE DIRECTOR

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The director presents his report and financial statements for the year ended 31 March 1997.

PRINCIPAL ACTIVITY

The principal activity of the company remained unchanged as that of property development and investment.

DIRECTOR AND HIS INTEREST

The director who served during the year and his beneficial interests in the company's issued ordinary share capital was as follows:-

	At 31.3.97	At 31.3.96
S. Walsh	52	52

CLOSE COMPANY PROVISIONS

So far as the director is aware the company was, at the end of the accounting period, a close company within the meaning of the Income and Corporation Taxes Act 1988.

AUDITORS

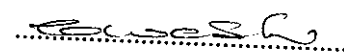
The auditors, Messrs Gepsons, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

SMALL COMPANY EXEMPTIONS

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

By order of the board

29 September 1997


Secretary : C Walsh

NOVAHEATH LIMITED
STATEMENT OF DIRECTOR'S RESPONSIBILITIES

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Company law requires the director to prepare financial statements for each financial year which 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 those financial statements the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention as modified by the revaluation of fixed assets and on the basis of the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's director is responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements 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 financial statements. It also includes an assessment of the significant estimates and judgement made by the director 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 of the state of the company's affairs as at 31 March 1997 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

29 September 1997

Gepsons

Gepsons
Registered Auditor
Wembley

NOVAHEATH LIMITED
 PROFIT AND LOSS ACCOUNT
 FOR THE YEAR ENDED 31 MARCH 1997

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Note	1997 £	1996 £
2. Turnover - continuing operations	98590	97073
3. Other operating income	2214	187
Operating expenses	(14783)	(18381)
4. Operating profit - continuing operations	<u>86021</u>	<u>78879</u>
Tax on profit on ordinary activities	20600	19696
Profit for the financial year	<u>65421</u>	<u>59183</u>
Dividends	-	15000
Retained profit for the year	<u>65421</u>	<u>44183</u>
Retained profit brought forward	72390	28207
Retained profit carried forward	<u><u>£137811</u></u>	<u><u>£72390</u></u>

NOVAHEATH LIMITED
BALANCE SHEET AS AT 31 MARCH 1997

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Note		1997	1996
	FIXED ASSET		
5.	Tangible asset	875000	740296
	CURRENT ASSETS		
	Debtors	24141	23401
	Cash at bank and in hand	140300	75940
		<u>164441</u>	<u>99341</u>
	CREDITORS		
6.	amounts falling due within one year	(766826)	(767147)
		<u>(602385)</u>	<u>(667806)</u>
	NET ASSETS	<u>£272615</u>	<u>£72490</u>
	CAPITAL AND RESERVES		
9.	Called up share capital	100	100
10.	Revaluation reserve	134704	-
10.	Profit and loss account	137811	72390
		<u>£272615</u>	<u>£72490</u>

The director has taken advantage of the exemptions conferred by Part 1 of Schedule 8 to the Companies Act 1985 on the basis that the company is entitled to the benefit of those exemptions as a small company.



Director: S. Walsh
29 September 1997

1. ACCOUNTING POLICIES

1.1 Accounting convention

The financial statements are prepared under the historical cost convention, modified to include the revaluation of freehold property.

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from producing a cash flow statement.

1.2 Deferred taxation

Deferred taxation is provided using the liability method only to the extent that it is considered, with reasonable probability, that a liability will become payable within the foreseeable future.

2. TURNOVER

Turnover represents gross rents receivable from third parties.

3. OTHER OPERATING INCOME

	1997	1996
Interest received	£2214	£187
	<u> </u>	<u> </u>

4. OPERATING PROFIT

	1997	1996
Stated after charging:		
Auditors remuneration	£900	£700
	<u> </u>	<u> </u>

5. TANGIBLE FIXED ASSET

	Freehold property	Total
Cost or valuation		
At 1 April 1996	740296	740296
Surplus on revaluation	134704	134704
At 31 March 1997	<u>£875000</u>	<u>£875000</u>

No depreciation is provided on freehold building as the property is regarded as an investment property.

The freehold property was valued at its open market value for vacant possession in March 1996 by Land & Co, Surveyors.

On the historical cost basis, the freehold property would have been included as follows:

Cost	
At 1 April 1996 and 31 March 1997	<u>£740296</u>

6. CREDITORS: Amounts falling due within one year

	1997	1996
Creditors and accruals	28873	34830
Corporation tax	20595	15950
Amounts due to related company	717358	716367
	<u>£766826</u>	<u>£767147</u>

7. STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	1997	1996
Profit for the financial year	65421	59183
Unrealised surplus on revaluation of freehold property	134704	-
Total recognised gains for the year	<u>£200125</u>	<u>£59183</u>

NOVAHEATH LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 1997

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8. DEFERRED TAXATION

There is no liability to deferred tax in respect of potential capital gains tax on freehold revaluation surplus due to the availability of indexation allowance.

9. SHARE CAPITAL

	1997	1996
Authorised Ordinary shares of £1 each	£1000	£1000
	==	==
Issued and fully paid Ordinary shares of £1 each	£100	£100
	==	==

10. RESERVES

	Revaluation reserve	Profit and loss account
At 1 April 1996	-	72390
Retained profit for year	-	65421
Surplus on revaluation of freehold	134704	-
At 31 March 1997	£134704	£137811
	==	==

11. SHAREHOLDERS FUNDS

	1997	1996
At 1 April 1996	72490	28209
Profit for the financial year	65421	59183
Surplus on revaluation	134704	-
Dividends	-	(15000)
Share issue	-	98
At 31 March 1997	£272615	£72490
	==	==

12. RELATED PARTY TRANSACTIONS

At 31 March 1997 the company owed £717358 (1996: £716367) to Faulthurst Limited, a company controlled by the company's director. No interest has been charged by Faulthurst Limited on the outstanding amount.

13. CONTINGENT LIABILITIES

There were no contingent liabilities at 31 March 1997.