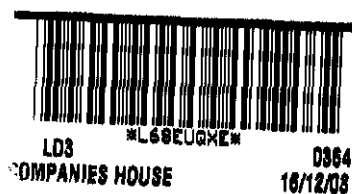


Company Registration No. 2428421 (England and Wales)

NOVAHEATH LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003



 **Hacker
Young**
Chartered Accountants

St Alphage House 2 Fore Street London EC2Y 5DH

NOVAHEATH LIMITED

COMPANY INFORMATION

Director	S Walsh
Secretary	C Walsh
Company number	2428421
Registered office	St Alphage House 2 Fore Street London EC2Y 5DH
Accountants	Hacker Young St Alphage House 2 Fore Street London EC2Y 5DH

NOVAHEATH LIMITED

CONTENTS

	Page
Director's report	1
Accountants' report	2
Profit and loss account	3
Balance sheet	4 - 5
Notes to the financial statements	6 - 10

NOVAHEATH LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2003

The director presents his report and financial statements for the year ended 31 March 2003.

Principal activities

The principal activity of the company continued to be that of property development and investment.

Director

The following director has held office since 1 April 2002:

S Walsh

Director's interests

The director's interest in the shares of the company was as stated below:

	Ordinary shares of £ 1 each	
	31 March 2003	1 April 2002
S Walsh	1	1

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



C Walsh

Secretary

8 December 2003

**ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE
UNAUDITED ACCOUNTS OF NOVAHEATH LIMITED**

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 March 2003, set out on pages 3 to 10 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.


Hacker Young

8 December 2003

Chartered Accountants
Reporting Accountants

NOVAHEATH LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2003

	Notes	2003 £	2002 £
Turnover		139,291	124,842
Administrative expenses		(13,167)	(12,547)
Other operating income		1,567	1,623
Operating profit		127,691	113,918
Other interest receivable and similar income	2	8,920	7,156
Amounts written off investments	3	(39,771)	-
Interest payable and similar charges		-	(145)
Profit on ordinary activities before taxation		96,840	120,929
Tax on profit on ordinary activities	4	(28,479)	(29,332)
Profit on ordinary activities after taxation	11	68,361	91,597

The company's operation in the year continued unchanged; no operations were disposed of or acquired.

There are no recognised gains and losses other than those passing through the profit and loss account.

NOVAHEATH LIMITED

BALANCE SHEET AS AT 31 MARCH 2003

	Notes	2003 £	£	2002 £	£
Fixed assets					
Tangible assets	5	865,000		865,000	
Investments	6	65,000		103,204	
		<u>930,000</u>		<u>968,204</u>	
Current assets					
Debtors	7	32,103		31,384	
Cash at bank and in hand		348,641		242,473	
		<u>380,744</u>		<u>273,857</u>	
Creditors: amounts falling due within one year	8	<u>(83,087)</u>		<u>(82,765)</u>	
Net current assets		<u>297,657</u>		<u>191,092</u>	
Total assets less current liabilities		<u>1,227,657</u>		<u>1,159,296</u>	
Creditors: amounts falling due after more than one year	9	<u>(704,410)</u>		<u>(704,410)</u>	
		<u>523,247</u>		<u>454,886</u>	
Capital and reserves					
Called up share capital	10	100		100	
Revaluation reserve	11	124,704		124,704	
Profit and loss account	11	398,443		330,082	
Shareholders' funds - equity interests	12	<u>523,247</u>		<u>454,886</u>	

NOVAHEATH LIMITED

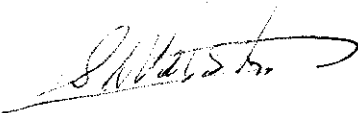
BALANCE SHEET AS AT 31 MARCH 2003

In preparing these financial statements:

- (a) The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The director acknowledges his responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 8 December 2003



S Walsh
Director

NOVAHEATH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

1 Accounting policies

1.1 Basis of preparation

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

1.2 Turnover

Turnover represents gross rents and service charges receivable from third parties.

1.3 Tangible fixed assets and depreciation

Investment properties are included in the balance sheet at their open market value and are not depreciated.

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the director compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

1.4 Investments

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

1.5 Deferred taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. 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.

No provision is made for deferred tax on gains recognised on revaluing property to its market value unless the company has a binding contract, at the balance sheet date, to sell the revalued assets.

2 Other interest receivable and similar income	2003 £	2002 £
Bank interest	8,761	6,846
Other interest	159	310
	<u>8,920</u>	<u>7,156</u>
3 Amounts written off investments	2003 £	2002 £
Amounts written off fixed asset investments:		
- permanent diminution in value	<u>39,771</u>	<u>-</u>

NOVAHEATH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

4 Taxation	2003	2002
	£	£
Domestic current year tax		
U.K. corporation tax	31,500	29,600
Adjustment for prior years	(3,021)	(268)
	<u>28,479</u>	<u>29,332</u>
Current tax charge		
 Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	<u>96,840</u>	<u>120,929</u>
 Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00 % (2002 : 30.00 %)	<u>29,052</u>	<u>36,279</u>
 Effects of:		
Adjustments to previous periods	(3,021)	-
Dividends and distributions received	(349)	(301)
Other tax adjustments	<u>2,797</u>	<u>(6,646)</u>
	<u>(573)</u>	<u>(6,947)</u>
Current tax charge	<u>28,479</u>	<u>29,332</u>

5 Tangible fixed assets

	Investment properties
	£
Cost or valuation	
At 1 April 2002 & at 31 March 2003	<u>865,000</u>

The freehold property was valued by Land & Co, Surveyors, on an open market basis for existing use in May 1998.

NOVAHEATH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

6 Fixed asset investments

	Managed investments £
Cost or valuation	
At 1 April 2002	103,204
Additions	1,567
	<u>104,771</u>
At 31 March 2003	<u>104,771</u>
Provisions for diminution in value	
At 1 April 2002	-
Charge for the year	39,771
	<u>39,771</u>
At 31 March 2003	<u>39,771</u>
Net book value	
At 31 March 2003	<u><u>65,000</u></u>

Fixed asset investments comprise funds invested in a managed fund operated by the company's bankers.

At 31 March 2003, the market value of investments amounted to £54,883 (2002: £76,477).

7 Debtors	2003 £	2002 £
Trade debtors	29,094	29,375
Other debtors	3,009	2,009
	<u>32,103</u>	<u>31,384</u>
	<u><u>32,103</u></u>	<u><u>31,384</u></u>
8 Creditors: amounts falling due within one year	2003 £	2002 £
Taxation and social security	31,500	29,600
Other creditors and accruals	51,587	53,165
	<u>83,087</u>	<u>82,765</u>
	<u><u>83,087</u></u>	<u><u>82,765</u></u>

NOVAHEATH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

9	Creditors: amounts falling due after more than one year	2003	2002
		£	£
	Amounts due to related party	704,410	704,410
		<u>704,410</u>	<u>704,410</u>
	Analysis of loans		
	Wholly repayable within five years	704,410	704,410
		<u>704,410</u>	<u>704,410</u>
	Loan maturity analysis		
	In more than one year but not more than two years	704,410	704,410
		<u>704,410</u>	<u>704,410</u>
10	Share capital	2003	2002
		£	£
	Authorised		
	1,000 Ordinary shares of £ 1 each	1,000	1,000
		<u>1,000</u>	<u>1,000</u>
	Allotted, called up and fully paid		
	100 Ordinary shares of £ 1 each	100	100
		<u>100</u>	<u>100</u>
11	Statement of movements on reserves		
		Revaluation reserve	Profit and loss account
		£	£
	Balance at 1 April 2002	124,704	330,082
	Retained profit for the year	-	68,361
		<u>124,704</u>	<u>398,443</u>
	Balance at 31 March 2003	124,704	398,443
		<u>124,704</u>	<u>398,443</u>
12	Reconciliation of movements in shareholders' funds	2003	2002
		£	£
	Profit for the financial year	68,361	91,597
	Opening shareholders' funds	454,886	363,289
		<u>523,247</u>	<u>454,886</u>
	Closing shareholders' funds	523,247	454,886
		<u>523,247</u>	<u>454,886</u>

NOVAHEATH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

13 Contingent liabilities

There were no contingent liabilities at 31 March 2003.

14 Related party transactions

At the financial year-end, the company owed £704,410 (2002:£704,410) to S & W (Holdings) Limited and was owed £3,009 (2002:£2,209) by Faulthurst Limited, both companies of which are controlled by the company's director. S & W (Holdings) Limited has given an undertaking not to seek full repayment of the amount owed within the next twelve months from the date of approval of these accounts. No interest has been charged by S & W (Holdings) Limited on the outstanding amounts.