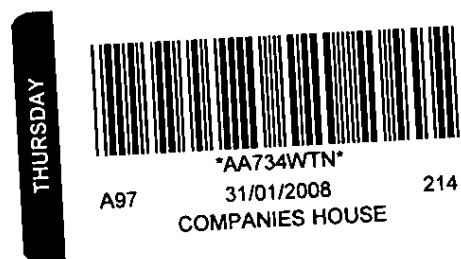


NOVAHEATH LIMITED

**DIRECTOR'S REPORT AND
UNAUDITED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2007



Company Registration No. 2428421 (England and Wales)

NOVAHEATH LIMITED

COMPANY INFORMATION

Director	S Walsh
Secretary	C Walsh
Company number	2428421
Registered Office	1B Shaftesbury Road Edmonton London N18 1SS
Accountants	Ledgers 8 Hilliard Road Northwood Middlesex HA6 1SN

NOVAHEATH LIMITED

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NOVAHEATH LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2007

The director presents his report and financial statements for the year ended 31 March 2007

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 2006

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 2007	1 April 2006
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
23 December 2007

NOVAHEATH LIMITED

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF NOVAHEATH LIMITED

FOR THE YEAR ENDED 31 MARCH 2007

In accordance with the engagement letter dated 9th January 2006, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of Novaheath Limited for the year ended 31 March 2007, set out on pages 3 to 10 from the accounting records and explanations you have given us

This report is made to the company's board of directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's board of directors that we have done so, and state those matters that we have agreed to state to them in this 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 board of directors, as a body, for our work or for this report.

You have acknowledged on the balance sheet for the year ended 31 March 2007 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Ledgers
Accountants

23 December 2007

NOVAHEATH LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2007

	Notes	2007 £	2006 £
Turnover		164,706	174,287
Administrative expenses		(24,199)	(11,665)
Other operating income		1,286	909
Operating profit		<u>141,793</u>	<u>163,531</u>
Other interest receivable and similar income	2	32,815	23,644
Interest payable and similar charges		(147)	-
Profit on ordinary activities before taxation		<u>174,461</u>	<u>187,175</u>
Tax on profit on ordinary activities	3	(43,500)	(48,945)
Profit on ordinary activities after taxation	10	<u><u>130,961</u></u>	<u><u>138,230</u></u>

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

NOVAHEATH LIMITED

BALANCE SHEET AS AT 31 MARCH 2007

	Notes	2007		2006	
		£	£	£	£
Fixed assets					
Tangible assets	4		1,400,000		1,400,000
Investments	5		70,048		68,762
			<u>1,470,048</u>		<u>1,468,762</u>
Current assets					
Debtors	6	39,879		46,417	
Cash at bank and in hand		855,107		732,427	
		<u>894,986</u>		<u>778,844</u>	
Creditors: amounts falling due within one year	7	<u>(121,454)</u>		<u>(134,987)</u>	
Net current assets			773,532		643,857
Total assets less current liabilities			<u>2,243,580</u>		<u>2,112,619</u>
Creditors: amounts falling due after more than one year	8		(701,401)		(701,401)
			<u>1,542,179</u>		<u>1,411,218</u>
Capital and reserves					
Called up share capital	9		100		100
Revaluation reserve	10		645,803		645,803
Profit and loss account	10		896,276		765,315
Shareholders's funds - equity interests	11		<u>1,542,179</u>		<u>1,411,218</u>

NOVAHEATH LIMITED

BALANCE SHEET AS AT 31 MARCH 2007

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 23 December 2007



S Walsh
Director

NOVAHEATH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

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

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

	2007	2006
	£	£
Bank interest	32,308	23,644
Other interest and income	1793	909
	<u>34,101</u>	<u>24,553</u>

NOVAHEATH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

	2007 £	2006 £
3. Taxation		
Domestic current year tax		
U K corporation tax	43,500	48,945
Current tax charge	<u>43,500</u>	<u>48,945</u>

Provision has been made for UK Corporation taxation based on 30% of the taxable profits

4 Tangible fixed assets

Investment Properties

Cost or valuation

As at 1 April 2006	1,400,000	1,400,000
Additions	-	-
Revaluation	-	-
As at 31 March 2007	<u>1,400,000</u>	<u>1,400,000</u>

The freehold property was valued by Land Commercial Limited, Chartered Surveyors, on an open market basis for existing use in April 2004

As at 31 March 2007 the historical cost of the property is £754,197 (2006 £754,197)

NOVAHEATH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

	2007 £	2006 £
5. Fixed asset investments		
Managed Investments		
Cost or valuation		
Cost as at 1 April 2006	108,533	107,624
Additions	1,286	909
Cost as at 31 March 2007	<u>109,819</u>	<u>108,533</u>
Provisions for diminution in value		
As at 1 April 2006 and 31 March 2007	<u>39,771</u>	<u>39,771</u>
Net book value		
As at 1 April 2006	<u>68,762</u>	<u>67,853</u>
As at 31 March 2007	<u>70,048</u>	<u>68,762</u>

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

As at 31 March 2007, the market value of the investments amounted to £93,718
(2006 £88,684)

6. Debtors

Trade debtors	<u>39,879</u>	<u>46,417</u>
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7. Creditors . amounts falling due within one year

Taxation and social security	45,863	55,419
Other creditors and accruals	75,591	79,568
	<u>121,454</u>	<u>134,987</u>

NOVAHEATH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

	2007 £	2006 £
8. Creditors : amounts falling due after one year		
Amounts due to related party	<u>701,401</u>	<u>701,401</u>
Analysis of loans		
Wholly repayable within five years	<u>701,401</u>	<u>701,401</u>
Loan maturity analysis		
In more than one year but not more than two years	<u>701,401</u>	<u>701,401</u>
9. Share capital		
Authorised		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
10. Statement of movements on reserves		
	Revaluation reserve £	Profit & loss account £
Balance at 1 April 2006	645,803	765,315
Retained profit in the year	-	130,961
Balance at 31 March 2007	<u>645,803</u>	<u>896,276</u>
11. Reconciliation of movements in shareholders' funds		
	2007 £	2006 £
Profit for the financial year	130,961	138,230
Other recognised gains and losses	-	-
Net addition to shareholders' funds	<u>130,961</u>	<u>138,230</u>
Opening shareholders' funds	1,411,218	1,272,988
Closing shareholders' funds	<u>1,542,179</u>	<u>1,411,218</u>

NOVAHEATH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

12. Control

The company is controlled by the trustees of the Ann Davis Settlement, which owns 99% of the shares, and by its director Mr S Walsh, whose children are the beneficiaries of that trust

13. Related party transactions

At the financial year-end, the company owed £701,401 (2006 £701,401) to S & W (Holdings) Limited and £1,380 (2006 £1,380) to Faulthurst Construction Limited. The aforementioned companies are all controlled by the company's director, Mr S Walsh. 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 amount.