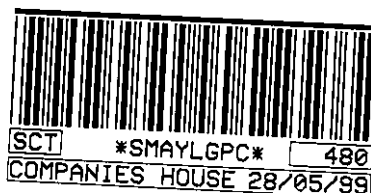
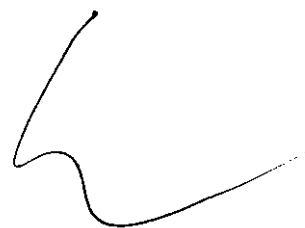


MUIRFIELD NURSING HOME LIMITED
COMPANY NUMBER: SC106708

ABBREVIATED ANNUAL REPORT
FOR THE YEAR ENDED 30 APRIL 1998



SPRINGFORDS
SUPPORTING GROWTH

AUDITORS' REPORT

TO THE DIRECTORS OF MUIRFIELD NURSING HOME LIMITED

PURSUANT TO SECTION 247B TO THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages 2 to 5, together with the full financial statements of Muirfield Nursing Home Limited, prepared under Section 226 of the Companies Act 1985, for the year ended 30 April 1998.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Sections 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to prepare accounts in accordance with Sections 246(5) and (6) of the Companies Act 1985 in respect of the year ended 30 April 1998, and the abbreviated accounts on pages 2 to 5 have been properly prepared in accordance with those provisions.



Ian J Brown & Co
Registered Auditor

28 May 1999

4 Lothian Street
Dalkeith
EH22 1DS

MUIRFIELD NURSING HOME LIMITED

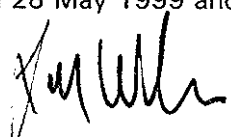
ABBREVIATED BALANCE SHEET

AS AT 30 APRIL 1998

	Note	1998		1997	
		£	£	£	£
Fixed assets					
Tangible assets	2	1,994,085		1,015,796	
Investments	3	-		110,400	
		<u>1,994,085</u>		<u>1,126,196</u>	
Current assets					
Stocks		2,136		1,200	
Debtors		111,363		52,954	
Cash at bank and in hand		64		-	
		<u>113,563</u>		<u>54,154</u>	
Creditors: amounts falling due within one year	4	<u>(922,704)</u>		<u>(378,185)</u>	
Net current liabilities		<u>(809,141)</u>		<u>(324,031)</u>	
Total assets less current liabilities		<u>1,184,944</u>		<u>802,165</u>	
Creditors: amounts falling due after more than one year	5	<u>(544,364)</u>		<u>(266,662)</u>	
Net assets		<u>640,580</u>		<u>535,503</u>	
Capital and reserves					
Called up share capital	6	600		400	
Share premium		91,030		-	
Revaluation reserve		376,910		376,910	
Profit and loss account		<u>172,040</u>		<u>158,193</u>	
Equity shareholders' funds		<u>640,580</u>		<u>535,503</u>	

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

The financial statements on pages 2 to 5 were approved by the board of directors on 28 May 1999 and signed on its behalf by:


J Wilkie
Director

MUIRFIELD NURSING HOME LIMITED

NOTES ON THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 1998

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules except for company's property which is stated at valuation. A summary of the more important accounting policies which have been consistently applied is set out below.

Cash flow statement

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 (Revised 1996) on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities stated net of value added tax.

Tangible fixed assets

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold land and buildings	Nil
Motor vehicles	25% reducing balance
Fixtures and fittings	25% reducing balance

The company adopts a policy to maintain its properties to a high standard and their useful economic lives and residual values are such that depreciation would not be material.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

MUIRFIELD NURSING HOME LIMITED

NOTES ON THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 1998

2 TANGIBLE FIXED ASSETS

	Total £
Cost or valuation	
At 1 May 1997	1,049,442
Additions	988,693
At 30 April 1998	2,038,135
Depreciation	
At 1 May 1997	33,646
Charge for year	10,404
At 30 April 1998	44,050
Net book amount	
At 30 April 1998	1,994,085
At 30 April 1997	1,015,796

As stated in note 1 the company adopts a policy to maintain its properties to a high standard. The directors are therefore of the opinion the useful economic lives and residual values of the properties are such that depreciation would not be material.

3 FIXED ASSET INVESTMENTS

	Total £
Cost	
At 1 May 1997	110,400
Movement	(93,362)
Disposals	(17,038)
At 30 April 1998	-
Net book amount	
At 30 April 1998	-
At 1 May 1997	110,400

MUIRFIELD NURSING HOME LIMITED

NOTES ON THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 1998

4 CREDITORS: amounts falling due within one year

	1998	1997
	£	£

The following are secured:

Bank loans and overdraft	<u>757,770</u>	<u>322,347</u>
--------------------------	----------------	----------------

5 CREDITORS: amounts falling due after more than one year

	1998	1997
	£	£

The following are secured:

Bank loans	<u>544,364</u>	<u>266,662</u>
------------	----------------	----------------

Bank loans repayable in five year or more as follows:-

Bank Loans	<u>233,110</u>	<u>-</u>
------------	----------------	----------

6 CALLED UP SHARE CAPITAL

	1998		1997	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary £1 shares	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Allotted called up and fully paid				
Ordinary £1 shares	<u>600</u>	<u>600</u>	<u>400</u>	<u>400</u>

200 ordinary shares of £1 each were issued during the year at a premium of £91,030.