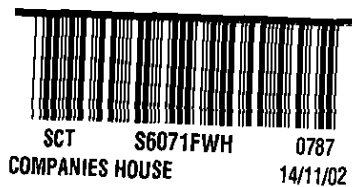


MUIRFIELD NURSING HOME LIMITED
COMPANY NUMBER: SC106708

ABBREVIATED ANNUAL REPORT
FOR THE YEAR ENDED 30 APRIL 2002



AUDITORS' REPORT

TO THE DIRECTORS OF MUIRFIELD NURSING HOME LIMITED

PURSUANT TO SECTION 247B TO THE COMPANIES ACT 1985

We have audited the financial statements on pages 2 to 5, together with the full financial statements of Muirfield Nursing Home Ltd, prepared under Section 226 of the Companies Act, for the year ended 30 April 2002.

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.

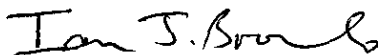
Basis of opinion

We have carried out the procedures we considered necessary to confirm, but 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.

Qualified opinion arising on failure to depreciate land & buildings

The company has failed to depreciate land and buildings as required by Financial Reporting Standard 15. If this accounting treatment were followed the profit for the year would be reduced by £33777

Except for the failure to depreciate land and buildings as required by Financial Reporting Standard 15, in our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 30 April 2002 and of its profit for the year then ended and have been properly prepared in accordance with the provision of the Companies Act 1985 applicable to small companies.



Ian J Brown & Company
Registered Auditor
8 November 2002

4 Lothian Street
Dalkeith
EH22 1DS

MUIRFIELD NURSING HOME LIMITED

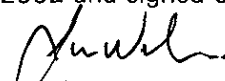
ABBREVIATED BALANCE SHEET

FOR THE YEAR ENDED 30 APRIL 2002

	Notes	£	2002	£	£	2001	£
Fixed assets							
Tangible assets	2		1,713,354			1,727,001	
Investments	3		-			5,000	
			<u>1,713,354</u>			<u>1,732,001</u>	
Current assets							
Stocks		2,200			2,200		
Debtors		182,534			136,394		
Cash at bank and in hand		124			285		
			<u>184,858</u>		<u>138,879</u>		
Creditors: amounts falling due within one year	4		<u>(386,962)</u>		<u>(405,625)</u>		
Net current liabilities			<u>(202,104)</u>		<u>(266,746)</u>		
Total assets less current liabilities			1,511,250			1,465,255	
Creditors: amounts falling due After more than one year	5		<u>(458,383)</u>		<u>(578,466)</u>		
Net assets			<u>1,052,867</u>		<u>886,789</u>		
Capital and reserves							
Called up share capital	6	600			600		
Share premium		91,030			91,030		
Revaluation reserve		376,910			376,910		
Profit and loss account		584,327			418,249		
Equity shareholders' funds			<u>1,052,867</u>		<u>886,789</u>		

These 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 8 November 2002 and signed on its behalf by:


J.M. Wilkie
Director
Page 2

MUIRFIELD NURSING HOME LIMITED

NOTES ON THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2002

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 2002

2 TANGIBLE FIXED ASSETS

	Total £
Cost or valuation	
At 1 May 2001	1,807,564
Additions	-
Disposals	12,000
At 30 April 2002	1,795,564
Depreciation	
At 1 May 2001	80,563
Charge for year	8,277
Disposals	6,630
At 30 April 2002	82,210
Net book amount	
At 30 April 2002	1,713,354
At 30 April 2001	1,727,001

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 2001	5,000
Movement	-
Disposals	5,000
At 30 April 2002	-
Net book amount	
At 30 April 2002	-
At 30 April 2001	5,000

MUIRFIELD NURSING HOME LIMITED

NOTES ON THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2002

4 CREDITORS: amounts falling due within one year

	2002	2001
	£	£
The following are secured:		
Hire purchase creditor	-	1,556
Bank loans and overdraft	257,328	298,640
	<u>257,328</u>	<u>300,196</u>

5 CREDITORS: amounts falling due after more than one year

	2002	2001
	£	£
The following are secured:		
Hire purchase creditor	-	-
Bank loans	458,383	578,466
	<u>458,383</u>	<u>578,466</u>

Bank loans repayable in five years or more as follows:

Bank Loans	-	-
	<u>-</u>	<u>-</u>

6 CALLED UP SHARE CAPITAL

	2002		2001	
	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>600</u>	<u>600</u>