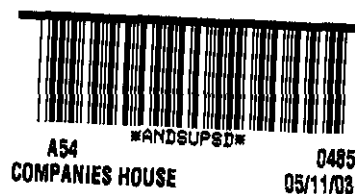


**British Nursing Association Home Care Services
Limited**

Registered No: 1242883

**Directors' Report and Financial Statements
For the Year Ended 31 December 2002**



British Nursing Association Home Care Services Limited

Directors' Report and Financial Statements For the Year Ended 31 December 2002

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British Nursing Association Home Care Services Limited

Directors' Report

For the Year Ended 31 December 2002

The directors present their report and the financial statements for the year ended 31 December 2002.

Principal activities

The principal activities of the company were the provision of nursing services for insurance healthcare screenings and the provision of caring services.

Financial results

The results for the period are shown in the profit and loss account on page 4. A final dividend of £nil is recommended by the directors (2001: £619,512).

The company's assets, liabilities and trade were sold to British Nursing Co-operations Limited on 31 December 2001 at book value. The company ceased trading on 31 December 2001 and the directors expect no activity will occur in the foreseeable future.

Directors

The directors who held office during the period were:

K A Greene (resigned 1 May 2003)
M D R Horgan (resigned 4 March 2002)
J A S Jewitt
D O Lyon (resigned 1 May 2003)
H McGarel-Groves (resigned 31 July 2002)
M A Ellis (appointed 1 May 2003)
S M Booty (appointed 1 August 2003)

Directors' interests

The directors had no interests in the share capital of the company.

The interests of J A S Jewitt, D O Lyon and S M Booty in the share capital of Nestor Healthcare Group plc, the ultimate holding company, are disclosed in the financial statements of that company.

British Nursing Association Home Care Services Limited

Directors' Report

For the Year Ended 31 December 2002 (Continued)

Directors' interests (Continued)

The interests of the director serving at the end of the period, excluding those who are directors of the ultimate holding company, in the share capital of Nestor Healthcare Group plc were:

	Ordinary shares		SAYE Scheme	
	31 December		31 December	
	2002	2001	2002	2001
K A Greene	-	-	13,167	13,167

	Employee Share Option Scheme 1996				Company Share Option Plan 1996			
	31 December				31 December			
	2002	Granted	Exercised	2001	2002	Granted	Exercised	2001
K A Greene	29,769	-	-	29,769	7,058	-	-	7,058

Company Share Option Plan 2002				
31 December				
	2002	Granted	Exercised	2001
K A Greene	48,598	48,598	-	-

British Nursing Association Home Care Services Limited

Directors' Report

For the Year Ended 31 December 2002 (Continued)

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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 directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are 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.

Approved by the Board at 15th October

2003, and signed on its behalf by



CER Thomas
Company Secretary

British Nursing Association Home Care Services Limited

Profit and Loss Account For the Year Ended 31 December 2002

	Notes	2002 £	2001 £
Turnover	2	-	5,967,729
Cost of sales		-	(4,130,941)
Gross profit		-	1,836,788
Administrative expenses		-	(951,770)
Operating profit		-	885,018
Tax on profit on ordinary activities	5	-	(265,505)
Profit on ordinary activities after taxation		-	619,512
Proposed dividend on ordinary shares	6	-	(619,512)
Profit retained for the period	9	-	-

All turnover and operating profits are derived from discontinued activities.

The company has no recognised gains and losses other than the above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents.

The notes on pages 6 to 9 form an integral part of these financial statements

British Nursing Association Home Care Services Limited

Balance Sheet At 31 December 2002

	Notes	2002 £	2001 £
Current assets			
Debtors	7	2	2
Total assets less current liabilities		2	2
Net assets		2	2
Capital and reserves			
Called up share capital	8	2	2
Total shareholders' funds	9	2	2

For the year ended 31 December 2002 the company was entitled to exemption under section 249aa(1) of the Companies Act 1985.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249b(2).

The directors acknowledge their responsibility for: (i) Ensuring the company keeps accounting records which comply with section 221; and (ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year and of its profit and loss for the financial year in accordance with section 226 and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The financial statements on pages 4 to 9 were approved by the board of directors on 15 October 2003 and were signed on its behalf by:



M A Ellis
Director

The notes on pages 6 to 9 form an integral part of these financial statements

British Nursing Association Home Care Services Limited

Notes to the Financial Statements For the Year Ended 31 December 2002

1 Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom and under the historical cost convention.

Deferred taxation

Deferred taxation is provided on the liability method where, in the opinion of the directors, it is probable that the liability will crystallise in the foreseeable future.

Pension costs

Pension costs are charged to the profit and loss account in such a way as to provide for the liabilities evenly over the remaining working lives of the employees.

Cash flow statements and related party transactions

The company is a wholly owned subsidiary of Nestor Healthcare Group plc and is included in the consolidated financial statements of Nestor Healthcare Group plc, which are publicly available. Consequently the company is exempt under the terms of Financial Reporting Standard No. 1 (revised 1996) from publishing a cash flow statement. The company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Nestor Healthcare Group plc group or investees of the Nestor Healthcare Group plc group.

2 Turnover

Turnover is the total amount receivable by the company in the ordinary course of business with outside customers for goods and services supplied, excluding value added tax and trade discounts. The turnover and profit before taxation is attributable to the two principal activities and is all earned in the United Kingdom.

3 Employee information

The company had no employees during the financial year (2001: None).

British Nursing Association Home Care Services Limited

Notes to the Financial Statements For the Year Ended 31 December 2002

4 Directors' Emoluments

Each of the directors except H McGarel-Groves and K Greene also served as directors of the ultimate parent company, Nestor Healthcare Group plc and are also directors of other group companies. The emoluments of those directors who served as directors of the ultimate parent company are disclosed in the accounts of Nestor Healthcare Group plc. In addition, H McGarel-Groves and K Greene were employees of another group company and their emoluments have been borne by another group company. Accordingly the aggregate emoluments figure does not include these items.

5 Tax on profit on ordinary activities

	2002 £	2001 £
UK Corporation tax at 30% (2000: 30%)	-	265,505

6 Dividends

	2002 £	2001 £
Dividends on equity shares:	-	-
Ordinary dividend proposed	-	619,512

7 Debtors

	2002 £	2001 £
Amounts falling due within one year:		
Amounts owed by group companies	2	2

British Nursing Association Home Care Services Limited

Notes to the Financial Statements For the Year Ended 31 December 2002

8 Share capital

	2002 £	2001 £
Authorised:		
100 Ordinary shares of £1 each	100	100
Issued, allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2

9 Reconciliation of movements in shareholders' funds

	2002 £	2001 £
Profit for the year	-	619,512
Dividends	-	(619,512)
Net addition to shareholders' funds	-	-
Shareholders' funds as at 1 January	2	2
<i>Shareholders' funds as at 31 December</i>	<i>2</i>	<i>2</i>

10 Pension commitments

Employees who are eligible for membership may join the Nestor Healthcare Group plc Retirement Benefits Scheme ("the scheme"), which provides benefits based on final pensionable salary. The scheme is administered by Trustees separately from the affairs of the group and is contracted out of the additional component of the State Pension Scheme.

Contributions are paid in accordance with the advice of the actuary to the Scheme.

Actuarial information concerning the Scheme is disclosed in the financial statements of the parent company, Nestor Healthcare Group plc.

British Nursing Association Home Care Services Limited

Notes to the Financial Statements For the Year Ended 31 December 2002

11 Ultimate parent undertaking

The Company's immediate parent undertaking is Nestor Healthcare Limited (formerly known as British Nursing Co-operations Limited).

The Company's ultimate parent undertaking is Nestor Healthcare Group plc, which is registered in England and Wales and is the parent of the smallest and largest group that prepares consolidated accounts that incorporate this company. Copies of the ultimate holding company's consolidated financial statements may be obtained from The Colonnades, Beaconsfield Close, Hatfield, Hertfordshire, AL10 8YD.