

**British Nursing Association
Healthcare Services Limited**

1242883.

**Report and financial statements
for the year ended 31 December 1994**

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Directors' report for the year ended 31 December 1994

The directors present their report and the audited financial statements for the year ended 31 December 1994.

Principal activity

The principal activities of the Company during the year were the provision of nurses to undertake life assurance healthcare screenings and the provision of caring services.

Review of business and financial results

The level of the Company's business activity increased during the year and the directors are confident about its future prospects. A summary of the results for the year is shown in the profit and loss account on page 4. No dividend is recommended by the directors (1993 : Nil)

Directors

The directors who held office during the year were:

M G Rogers
P Punter
C R Chapman
J A S Jewitt (appointed 11 July 1994)
A J T Pilgrim

Directors' interests

The interests of directors, excluding those who are directors of the ultimate holding company, in the share capital of Nestor-BNA plc were:

	Savings Related Share Option Scheme		Ordinary 10p shares		Employee Share Option Scheme	
	31.12.94	31.12.93	31.12.94	31.12.93	31.12.94	31.12.93
J A S Jewitt	-	-	-	-	177,800	-
P Punter	-	-	94,379*	94,379*	85,645	85,645

* Includes shares held by virtue of the Nestor-BNA plc profit sharing scheme.

Employees

The Company's policies in respect of disabled persons and employee involvement are in accordance with those detailed in the financial statements of Nestor - BNA plc, the ultimate holding company.

Directors' responsibilities

The directors are required by UK company law to prepare financial statements which give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the period to that date. The financial statements must be prepared in compliance with the required formats and disclosures of the Companies Act 1985 and in accordance with applicable accounting standards. In addition, the directors are required:

- to select suitable accounting policies and then apply them consistently;
- to make judgements and estimates that are reasonable and prudent;
- to take account of expenses and income relating to the period being reported on, whether or not they have been paid or received in that period; and
- to prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that the financial statements comply with the above requirements. The directors are also responsible for maintaining adequate accounting records so as to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985, for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities.

Auditors

The Company has dispensed with the obligation to appoint auditors annually, hence Coopers & Lybrand will continue in office.

Approved by the Board on 19th July 1995 and signed on its behalf by


J Wood
Secretary

Report of the auditors to the members of British Nursing Association Healthcare Services Limited

We have audited the financial statements on pages 4 to 8.

Responsibilities of directors and auditors

As described on page 2 the Company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you.

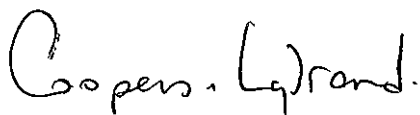
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 31 December 1994 and of the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Coopers & Lybrand
Chartered Accountants and Registered Auditors
London

24 JULY 1995.

**Profit and loss account
for the year ended 31 December 1994**

	Notes	1994 £	1993 £
Turnover - continuing operations	2	498,754	322,196
Cost of sales		(448,215)	(270,846)
Gross profit - continuing operations		50,539	51,350
Management charge	3	(50,539)	(51,350)
Profit on ordinary activities before taxation	3	-	-
Tax on profit on ordinary activities	5	-	-
Retained profit for the year		-	-
Retained profit brought forward		-	-
Retained profit carried forward		-	-

The notes on pages 6 to 8 form part of these accounts.

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.

**Balance sheet
as at 31 December 1994**

	Notes	1994 £	1993 £
Current assets			
Amount due from holding company	6	2	2
Net assets		<u>2</u>	<u>2</u>
Capital and reserves			
Called up share capital	7	2	2
Equity shareholders' funds		<u>2</u>	<u>2</u>

The notes on pages 6 to 8 form part of these accounts.

The financial statements on pages 4 to 8 were approved by the board of directors on
19th July 1995 and were signed on its behalf by:

DN.

Director

**Notes to the financial statements
for the year ended 31 December 1994**

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. Accounts are made up to the nearest practicable Friday to 31 December each year.

The Company is a wholly owned subsidiary of Nestor-BNA plc and the cash flows of the Company are included in the consolidated group cash flow statement of Nestor-BNA plc. Consequently the Company is exempt under the terms of Financial Reporting Standard No. 1 from publishing a cash flow statement.

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.

2 Turnover and results

The turnover and profit before taxation is attributable to the two principal activities and is all earned in the United Kingdom.

3 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	1994	1993
	£	£
Management charges	50,539	51,350

Remuneration of the Company's auditors is borne by the holding company, British Nursing Co-operations Limited.

4 Employees and directors

There were no employees during the year and the directors have received no emoluments (1993: Nil).

5 Taxation on profit on ordinary activities

No taxation charge has arisen during the year (1993: Nil).

6 Amounts due to Holding Company

All amounts invoiced by the Company for screening services are immediately settled by the parent company, British Nursing Co-operations Limited via intragroup debt and debts due on caring services are also shown in the holding company balance sheet. In doing this British Nursing Co-operations Limited accept the debtors into its accounts together with the associated costs and risks of collection.

7 Share capital

	1994	1993
	£	£
Authorised:		
100 Ordinary shares of £1 each	100	100
	<u> </u>	<u> </u>
Allotted, issued and fully paid:		
2 ordinary shares of £1 each	2	2
	<u> </u>	<u> </u>

8 Reconciliation of movements in Shareholders' funds

	1994	1993
	£	£
Opening shareholders' funds	2	2
	<u> </u>	<u> </u>
Closing shareholders' funds	2	2
	<u> </u>	<u> </u>

9 Ultimate holding company

The Company's ultimate holding company is Nestor-BNA plc, which is registered in England and Wales. Copies of the ultimate holding company's consolidated financial statements may be obtained from 20A Church Road, Welwyn Garden City, Hertfordshire, AL8 6PS.