

WARRENS HALL LIMITED

(Registered No. 2237105)

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD 1 APRIL 2005 TO 31 DECEMBER 2005**



WARRENS HALL LTD

REPORT OF THE DIRECTORS

for the period 1 April 2005 to 31 December 2005

The Directors present their annual report and the audited financial statements for the period 1 April 2005 to 31 December 2005.

1. Principal activities

The principal activity of the Company is to finance fellow Group undertakings.

2. Review of the business

The Directors consider the performance of the Company during the period to be satisfactory.

3. Change of ownership and accounting reference date

On 5 August 2005 the entire share capital of the company's previous ultimate parent undertaking was acquired by The British United Provident Association (BUPA) through BUPA's subsidiaries. The accounting reference date has been changed to 31 December.

4. Results and dividends

The profit for the period, after taxation, amounted to £60,000 (year ended 31 March 2005 – £70,000).

No dividend is proposed for the period (year ended 31 March 2005 – £70,000).

5. Conversion to International Financial Reporting Standards

The ultimate parent undertaking, BUPA, has prepared Group accounts in accordance with International Financial Reporting Standards (IFRS). The Company is not required to report under IFRS and therefore these accounts are prepared in accordance with applicable UK accounting standards.

6. Directors and directors' interests

Details of the present directors and any other person who served as a director during the period and subsequently are set out below:

N T Beazley	(appointed 1 September 2005)
J P Davies	(appointed 9 August 2005)
M Ellerby	(appointed 9 August 2005)
B D J Kent	(appointed 1 September 2005)
N R Taylor	(appointed 9 August 2005)
A D Walford	(appointed 9 August 2005, resigned 1 September 2005)
G W S Daly	(resigned 11 August 2005)
F J Sinclair-Brown	(resigned 11 August 2005)

The Directors had no interests requiring disclosure under Section 234 of the Companies Act 1985.

7. Companies (Audit, Investigations and Community Enterprise) Act 2004

As at the date of this report, indemnities are in force under which the Company has agreed to indemnify the Directors, to the extent permitted by law and the Company's articles of association, in respect of all losses arising out of, or in connection with, the execution of their powers, duties and responsibilities, as Directors of the Company.

WARRENS HALL LTD

REPORT OF THE DIRECTORS

for the period 1 April 2005 to 31 December 2005

8. Employees and remuneration

Details of the number of persons employed and gross remuneration are contained in note 3 to the financial statements.

Every effort is made by the directors and management to inform, consult and encourage the full involvement of staff on matters concerning them as employees and affecting the Company's performance.

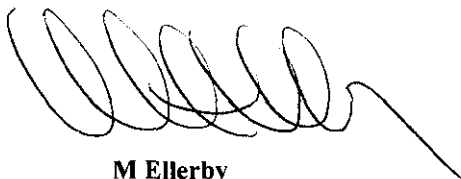
The Company continues to pursue its stated policy of giving every consideration to the employment of disabled persons. Employees who are registered disabled persons are, to the greatest possible extent, treated on the same basis as all other employees and given every opportunity to develop their full working potential within the Company, through training, career development and promotion. Where employees have become disabled whilst in the service of the Company, every effort is made to rehabilitate them in their former occupation or some suitable alternative.

9. Auditors

During the period, Horwath Clark Whitehill LLP resigned as auditors of the Company and KPMG Audit Plc were appointed to fill the casual vacancy created. A resolution will be proposed at a general meeting to reappoint KPMG Audit Plc as auditors for the ensuing year.

Registered Office:
Bridge House
Outwood Lane
Horsforth
Leeds
LS18 4UP

By Order of the Board

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end.

M Ellerby
Director

9 March 2006

WARRENS HALL LTD

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 its financial statements comply with the Companies Act 1985*. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WARRENS HALL LTD

We have audited the financial statements of Warrens Hall Limited for the period 1 April 2005 to 31 December 2005 which comprise of the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities on page 3, the Company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with UK Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2005 and of its profit for the period then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc
KPMG Audit Plc

Chartered Accountants
Registered Auditor

Leeds

9 March 2006

WARRENS HALL LTD

PROFIT AND LOSS ACCOUNT

for the period 1 April 2005 to 31 December 2005

	Note	1 April 2005 to 31 December 2005 £'000	Year ended 31 March 2005 £'000
Operating expenses		<u>(5)</u>	<u>-</u>
Operating loss		(5)	-
Interest receivable and similar income	4	92	100
Interest payable and similar charges	5	<u>(2)</u>	<u>-</u>
Profit on ordinary activities before taxation	6	85	100
Tax on profit on ordinary activities	7	<u>(25)</u>	<u>(30)</u>
Profit for the financial period		<u>60</u>	<u>70</u>

The operating profit is all derived from continuing operations.

There were no recognised gains or losses other than the profit for the current and prior periods.

There were no material differences between reported profit and losses and historical profit and losses on ordinary activities before and after taxation.

The accounting policies and notes on pages 8 to 12 form part of these financial statements.

WARRENS HALL LTD

BALANCE SHEET
as at 31 December 2005

	Note	31 December 2005 £'000	31 March 2005 £'000
Current assets			
Debtors		1,224	1,143
Debtors due within one year	9	224	143
Debtors due after one year	9	1,000	1,000
		1,224	1,143
Creditors: amounts falling due within one year	10	(83)	(62)
		<u>1,141</u>	<u>1,081</u>
Capital and reserves			
Called up share capital	11	780	780
Profit and loss account	12	361	301
Shareholders' funds		<u>1,141</u>	<u>1,081</u>
Shareholders' funds may be analysed as:			
Equity interest	11	1,131	1,071
Non-equity interest	11	10	10
		<u>1,141</u>	<u>1,081</u>

These financial statements were approved by the Board of Directors on 9 March 2006 and were signed on its behalf by:



N R Taylor
Director

The accounting policies and notes on pages 8 to 12 form part of these financial statements.

WARRENS HALL LTD

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS
for the period 1 April 2005 to 31 December 2005

	1 April 2005 to 31 December 2005 £'000	Year ended 31 March 2005 £'000
Profit for the financial period	60	70
Dividends	-	(70)
Net additions to shareholders' funds	60	-
Opening shareholders' funds	1,081	1,081
Closing shareholders' funds	1,141	1,081

WARRENS HALL LTD

NOTES TO THE FINANCIAL STATEMENTS for the period 1 April 2005 to 31 December 2005

1. STATEMENT OF ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, under the historical cost accounting convention and on a going concern basis.

As the Company is a wholly owned subsidiary undertaking of BUPA, a Company registered in England and Wales, which publishes consolidated accounts, the Company has pursuant to paragraph 17 of Financial Reporting Standard No. 8: Related Party Disclosures (FRS 8) not included details of transactions with other companies which are subsidiary undertakings of the BUPA Group. There were no other related party transactions.

Accounting conventions

A summary of the more significant accounting policies, which have been applied consistently, is set out below.

(b) Cash flow statement

Under Financial Reporting Standard No. 1: Cash Flow Statements (revised 1996) (FRS 1) the Company is exempt from the requirement to prepare a cash flow statement, on the grounds that it is a wholly owned subsidiary undertaking of BUPA, a Company that prepares a consolidated cash flow statement for the BUPA Group.

(c) Taxation including deferred taxation

The charge for taxation is based on the result for the period and takes into account deferred tax.

Deferred tax is provided in full on all timing differences that have originated, but not reversed, at the balance sheet date which result in an obligation to pay more, or a right to pay less or to receive more, tax with the following exceptions:

- Provision is made for tax on gains arising from the revaluation of property to its market value, the fair value adjustment of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned and without it being possible to claim rollover relief. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.
- Deferred tax assets are recognised only to the extent that it is considered more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on current tax rates and laws.

Trading losses surrendered to other Group subsidiary undertakings are made on a full payment basis.

(f) Pensions and other post-retirement benefits

Contributions to the defined contribution scheme are charged to the profit and loss account in the accounting period in which they occur.

2. IMMEDIATE AND ULTIMATE PARENT UNDERTAKINGS

The immediate parent undertaking of the Company is ANS Plc, a Company registered in England and Wales.

The ultimate parent undertaking of the Company is BUPA, a Company registered in England and Wales, in whose accounts these financial statements are consolidated. Copies of the accounts of BUPA can be obtained from The Registrar of Companies, Cardiff, CF14 3UZ.

WARRENS HALL LTD

NOTES TO THE FINANCIAL STATEMENTS **for the period 1 April 2005 to 31 December 2005**

3. STAFF COSTS AND DIRECTORS' REMUNERATION

The emoluments of the Directors are borne entirely by other Group companies and are disclosed in the financial statements of those Companies. The Company had no other employee costs during the period.

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	1 April 2005 to 31 December 2005 £'000	Year ended 31 March 2005 £'000
Loan to Group undertaking	<u>92</u>	<u>100</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	1 April 2005 to 31 December 2005 £'000	Year ended 31 March 2005 £'000
Loan from Group undertaking	<u>2</u>	<u>-</u>

6. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Auditors' remuneration and amounts paid to KPMG Audit Plc and their associates for non audit services are borne by a fellow Group undertaking.

WARRENS HALL LTD

NOTES TO THE FINANCIAL STATEMENTS for the period 1 April 2005 to 31 December 2005

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

(i) Analysis of tax charge in period

	1 April 2005 to 31 December 2005 £'000	Year ended 31 March 2005 £'000
Current tax		
UK corporation tax on profits of the period	<u>25</u>	<u>30</u>

(ii) Factors affecting the tax charge

The tax assessed for the period and preceding year is at the standard rate of corporation tax in the UK of 30%.

	1 April 2005 to 31 December 2005 £'000	Year ended 31 March 2005 £'000
Profit on ordinary activities before tax	<u>85</u>	<u>100</u>
Tax charge on profit on ordinary activities at 30%	<u>25</u>	<u>30</u>

8. DIVIDENDS

	1 April 2005 to 31 December 2005 £'000	Year ended 31 March 2005 £'000
Final paid nil p (year ended 31 March 2005 – 9.09p) per ordinary share	<u>-</u>	<u>70</u>

9. DEBTORS

	31 December 2005 £'000	31 March 2005 £'000
Amounts falling due within one year:		
Corporation tax	5	-
Amounts owed by Group undertakings	<u>219</u>	<u>143</u>
	<u>224</u>	<u>143</u>
Amounts falling due after one year:		
Loan to Group undertaking	<u>1,000</u>	<u>1,000</u>

WARRENS HALL LTD

NOTES TO THE FINANCIAL STATEMENTS
for the period 1 April 2005 to 31 December 2005

10. CREDITORS – amounts falling due within one year

	31 December 2005 £'000	31 March 2005 £'000
Amounts owed to Group undertakings	77	30
Corporation tax	-	30
Accruals and deferred income	6	2
	<u>83</u>	<u>62</u>

11. SHARE CAPITAL

	31 December 2005 £'000	31 March 2005 £'000
Authorised		
Equity interests		
1,990,000 ordinary shares of £1 each	1,990	1,990
Non-equity interests		
10,000 ordinary shares of £1 each	10	10
	<u>2,000</u>	<u>2,000</u>
	31 December 2005 £'000	31 March 2005 £'000
Allotted, called-up and fully paid		
Equity interests		
769,688 ordinary shares of £1 each	770	770
Non-equity interests		
10,000 ordinary A shares of £1 each	10	10
	<u>780</u>	<u>780</u>

WARRENS HALL LTD

NOTES TO THE FINANCIAL STATEMENTS
for the period 1 April 2005 to 31 December 2005

12. RESERVES

	Profit and loss account £'000
At 1 April 2005	301
Profit for the financial period	<u>60</u>
At 31 December 2005	<u>361</u>

13. COMMITMENTS

The Company had no capital commitments at the end of either period.