

Noblerevel Limited
Registered number: 2743181

Accounts

For the year ended 31 March 2002

Hardie Caldwell

CHARTERED ACCOUNTANTS

Glasgow



Noblerevel Limited

Directors' report

For the year ended 31 March 2002

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report for the year to 31 March 2002.

Principal activity

The company's principal trading activity during the year was the management and operation of a nursing home for highly dependent elderly residents.

Review of the business

The results for the year are as set out on page 4. There have been no significant changes in the activities of the company during the year.

Results and dividends

The loss for the year after taxation amounted to £569,000 (2001 Profit – £3,070,000). The directors do not recommend the payment of a dividend in respect of the year (2001 - £ Nil). Accordingly, the loss for the year has been transferred to reserves.

Directors and directors' interests

The directors of the company who served during the year or from date of appointment if later are listed below:

J Ablett
S Lawrence
W H McInteer
K Phippen

None of the directors have any interest in the share capital of the company. The interests of the directors in the share capital of the company's ultimate parent company will appear in the Directors' Report of that company.

Employees

The company's policy is that, where it is reasonable and practicable within existing legislation, all employees, including disabled persons, are treated in the same way in matters relating to employment, training, career development and promotion.

The Board recognises the importance of employees being fully informed of events which directly affect them and their working conditions. To this end, regular meetings are held with employees or their representatives and a group magazine provides another source of information on the company's performance and plans.

Noblerevel Limited

Directors' report (continued)

For the year ended 31 March 2002

Directors' responsibilities

Company law requires the directors to prepare accounts for each financial year which 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 year. In preparing those accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

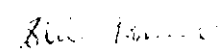
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for ensuring that the directors' report is prepared in accordance with company law in the United Kingdom.

Auditors

As permitted by Section 386 of the Companies Act 1985 the company has dispensed with the requirement to re-appoint auditors annually.

By order of the Board on 29 October 2002



S Hurrell

Company Secretary

79 High Street
Eton
Windsor
Berkshire
SL4 6AF

Noblerevel Limited

Report of the Independent Auditors

To the Shareholders of Noblerevel Limited

We have audited the accounts of Noblerevel Limited for the year ended 31 March 2002 on pages 4 to 11. These accounts have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts 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 Report of the Directors is not consistent with the accounts, 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 transactions with the company and other members of the Group is not disclosed.

We read the Report of the Directors 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 United Kingdom 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

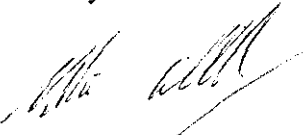
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error.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

Going concern

In forming our opinion, we have considered the adequacy of the disclosures set out in note 1 a) "Basis of accounting" relating to financial covenants pertaining to rental coverage for Ashbourne Limited and its subsidiaries. In view of the significance of this matter and its potential impact on the going concern basis adopted in these accounts, we believe that this should be brought to your attention. Our opinion is not qualified in this respect.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 March 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Hardie Caldwell
Registered Auditors
Chartered Accountants
Savoy Tower
77 Renfrew Street
Glasgow G2 3BY

Date : 31 Oct 2002

Noblerevel Limited

Profit and loss account For the year ended 31 March 2002

	Notes	2002 £000	15 month ended 31 March 2001 £000
Turnover		1,479	1,991
Cost of sales		(1,093)	(1,540)
Gross profit		386	451
Administrative expenses - non exceptional		(230)	(314)
Administrative expenses - exceptional	2	(520)	2,274
Operating (loss) / profit	3	(364)	2,411
Loss on sale of tangible fixed assets		(205)	-
(Loss) / profit on ordinary activities before taxation	3	(569)	2,411
Taxation on profit on ordinary activities	5	-	659
(Loss)/profit on ordinary activities after taxation	10	(569)	3,070

The results derive wholly from continuing operations.

There are no recognised gains or losses other than the (loss) / profit for each period. As a result the company has not prepared a statement of total recognised gains and losses or a reconciliation of movements in shareholders' funds.

The accompanying notes are an integral part of this profit and loss account.

Noblerevel Limited

Balance sheet As at 31 March 2002

	Notes	2002 £000	As at 31 March 2001 £000
Fixed assets			
Tangible assets	6	<u>1,875</u>	<u>4,032</u>
Current assets			
Debtors	7	<u>66</u>	<u>91</u>
		66	91
Creditors: amounts falling due within one year	8	<u>(4,184)</u>	<u>(5,797)</u>
Net current liabilities		<u>(4,118)</u>	<u>(5,706)</u>
Net liabilities		<u>(2,243)</u>	<u>(1,674)</u>
Capital and reserves			
Called up share capital	9	-	-
Profit and loss account	10	<u>(2,243)</u>	<u>(1,674)</u>
Shareholders' funds		<u>(2,243)</u>	<u>(1,674)</u>

Signed on behalf of the Board on 29 October 2002



W H McInteer
Director

The accompanying notes are an integral part of this balance sheet.

Noblerevel Limited

Notes to the accounts

For the year ended 31 March 2002

1 Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding period are set out below.

a) Basis of accounting

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards. As described in Note 11 the company is part of the Ashbourne Limited group. In the event that an Ashbourne Limited group company has a deficiency of assets, the accounts are prepared on the basis that the company will continue to receive financial support from other Ashbourne Limited group companies. The following paragraphs are reproduced from the group accounts of Ashbourne Limited for the year ended 31 March 2002.

- i) Ashbourne Limited group companies have operating leases that have financial covenants pertaining to rental coverage; they are currently in breach of some of these covenants. To date they have not defaulted on any of their lease rental payments that have fallen due for payment. The directors have had and continue to have discussions with the lessors regarding this situation. Based on those discussions management believes that the lessors do not have the intention to invoke the default terms of their lease.

There can however be no assurance over the ability of Ashbourne Limited group companies to meet the covenants contained in their lease agreements or the lessor's willingness to extend waivers or amend terms to avoid any actual or anticipated breaches of such covenants.

- ii) As at 31 March 2002 management were in discussion with the lenders of a £17.9million loan which was due for repayment in June 2002. Subsequent to the year end all liabilities due in respect of this loan were discharged in full.

On this basis, the directors consider it appropriate to prepare the accounts on the going concern basis. The accounts do not include any adjustments that would result from the failure of Ashbourne Limited group companies to meet their financial obligations

Noblerevel Limited

Notes to the Accounts (continued) For the year ended 31 March 2002

1 Accounting policies (continued)

b) Turnover

Turnover is the total amount receivable in the ordinary course of business for services provided. The Directors consider that the only class of business which the company engages in is the provision of nursing care in the United Kingdom.

c) Cash flow statement

Financial Reporting Standard Number 1 (Revised) "Cash Flow Statements" exempts undertakings from the requirement to produce such a statement where they are wholly owned subsidiaries of undertakings which prepare a consolidated cash flow statement and which includes the cash flows of the company. The company's ultimate parent undertaking prepares such a statement in its account, which are publicly available and the company has therefore taken advantage of the exemption.

d) Tangible fixed assets

Tangible fixed assets are stated at cost net of depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write down the carrying value of the tangible fixed assets to their residual values evenly over their estimated useful lives as follows:

Freehold and long leasehold buildings	over 20 - 50 years
Short leasehold properties	over lease term
Fittings, equipment and vehicles	over 5 -10 years
Computer equipment	over 4 years

Residual value is calculated on prices prevailing at the date of acquisition.

e) Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

f) Leased assets

Operating lease rentals are charged to the profit and loss account on a straight line basis over the lease years.

g) Interest

Interest charges incurred in the acquisition, construction or re-development of a nursing home are capitalised during the building year, until the date of registration. Any other interest is charged to the profit and loss account.

Noblerevel Limited

Notes to the Accounts (continued) For the year ended 31 March 2002

2 Exceptional items

	2002 £000	2001 £000
Included within administrative expenses are the following exceptional items:		
Impairment loss on fixed assets (note 6)	520	(2,274)

3 Operating profit

The operating profit is stated after charging:

	2002 £000	2001 £000
Depreciation	123	192
Staff costs (note 4)	753	960

The auditors' remuneration (for audit and non-audit services) is borne by the company's immediate parent company, Ashbourne Limited and is shown as part of the charge in the accounts of that company.

4 Directors and employees

Staff costs during the year were as follows:

	2002 £000	2001 £000
Wages and salaries	713	909
Social security costs	40	51
	753	960

The average monthly number of employees during the year was as follows:

	2002 Number	2001 Number
Nursing and ancillary staff	210	210

The directors received no remuneration in respect of their services to the company (2001 - £Nil).

5 Tax on profit on ordinary activities

The taxation charge for the year is made up as follows:

	2002 £000	2001 £000
Deferred tax movements		
- transfer from deferred tax provision for the year	-	659
	-	659

Noblerevel Limited

Notes to the Accounts (continued) For the year ended 31 March 2002

6 Tangible fixed assets

	Freehold land and buildings £000	Plant and equipment £000	Total £000
Cost			
At beginning of year	4,434	429	4,863
Additions	-	41	41
Disposals	(1,602)	(175)	(1,777)
At end of year	<u>2,832</u>	<u>295</u>	<u>3,127</u>
Depreciation			
At beginning of year	682	149	831
Charge for the year	92	31	123
Disposals	(168)	(54)	(222)
Impairment loss	497	23	520
At end of year	<u>1,103</u>	<u>149</u>	<u>1,252</u>
Net book value			
At end of year	<u>1,729</u>	<u>146</u>	<u>1,875</u>
At beginning of year	<u>3,752</u>	<u>280</u>	<u>4,032</u>

Interest capitalised included in fixed assets amounts to £362,000 (2001 - £381,000).

Where appropriate the directors have reviewed the carrying value of the Group's assets and the impairment losses/(releases) on the tangible and intangible fixed assets have been calculated by reference to the value in use of the fixed assets to the Group over a period of 18 years. A discount rate of 6% (2001 - 6%) has been applied to the cash flows. A long-term growth rate of approximately 4% (2001 - 4%) has been used in the calculation of value in use, this rate exceeds the long-term average growth rate for the UK. The directors of the company are of the opinion that the rate applied reflects the growth rates experienced in the industry in which the Group operates.

7 Debtors

	2002 £000	2001 £000
Trade debtors	64	91
Other debtors	<u>2</u>	<u>-</u>
	<u>66</u>	<u>91</u>

Noblerevel Limited

Notes to the accounts (continued) For the year ended 31 March 2002

8 Creditors: amounts falling due within one year

	2002 £000	2001 £000
Amounts owed to immediate parent undertaking	<u>4,184</u>	<u>5,797</u>

The amount owed to the immediate parent undertaking is interest free with no fixed dates for repayment.

The company has given security by fixed and floating charge over its assets in respect of certain liabilities of its immediate parent undertaking.

9 Called-up share capital

	2002 £	2001 £
<i>Authorised:</i>		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called up and fully paid:</i>		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

10 Profit and loss account

	2002 £000
At beginning of year	(1,674)
Loss for the year	<u>(569)</u>
At end of year	<u>(2,243)</u>

Noblerevel Limited

Notes to the accounts (continued)

For the year ended 31 March 2002

11 Parent undertakings

The ultimate parent undertaking of Noblerevel Limited is Ashbourne Consolidated Group Limited. The accounts of that company are the accounts of the largest group which are prepared including the results of the company. The accounts of Ashbourne Limited are the accounts of the smallest group which are prepared including the results of the company.

The immediate parent undertaking is Exceler Health Care Group Limited.

Group accounts may be obtained from:

Ashbourne Consolidated Group Limited
79 High Street
Eton
Windsor
Berkshire, SL4 6AF

12 Related party information

The company has taken advantage of the exemption available to wholly owned subsidiaries under Financial Reporting Standard Number 8, Related Parties, not to provide details of transactions with other group undertakings of Ashbourne Consolidated Group Limited.