

**REGISTRAR OF
COMPANIES**

**Southern Cross Healthcare Facilities
Limited**

Report and Financial Statements

Period Ended

31 March 1997



BDO

BDO Stoy Hayward
Chartered Accountants

SOUTHERN CROSS HEALTHCARE FACILITIES LIMITED

Annual report and financial statement for the period ended 31 March 1997

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Directors

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Directors

J E Moreton
A D Thorne
L E Mark
T L Stables
K Steven

Secretary and registered office

K Steven, Park House, 11 Sheet Street, Windsor, Berkshire, SL4 1BN.

Company number

3225331

Auditors

BDO Stoy Hayward, 8 Baker Street, London, W1M 1DA.

SOUTHERN CROSS HEALTHCARE FACILITIES LIMITED

Report of the directors for the period ended 31 March 1997

The directors have pleasure in submitting their report together with the financial statement of the company for the period ended 31 March 1997. The company was incorporated on 16 July 1996 and changed its name from Legislator 1282 Limited on 22 October 1996.

Principal activity

The company is dormant.

Ultimate parent company

The ultimate parent company is Southern Cross Healthcare Limited, which is registered in England and controls 100% of the issued share capital of the company.

Directors

The directors of the company during the period were:

M Pooley	(appointed 9 July 1996, resigned 14 October 1996)
D J Simmons	(appointed 9 July 1996, resigned 14 October 1996)
J O'Reilly	(appointed 14 October 1996, resigned 30 May 1997)
A D Thorne	(appointed 14 October 1996)
J E Moreton	(appointed 14 October 1996)
L E Mark	(appointed 14 October 1996)
T L Stables	(appointed 31 January 1997)

K Stevens was appointed a director on 30 May 1997.

The interests of the directors in the issued share capital of the ultimate parent company, Southern Cross Healthcare Limited are shown in the financial statements of that company.

Directors' responsibilities

Company law requires the directors to prepare financial statements 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 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; 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 which disclose with reasonable accuracy at any time the financial position of the company and to 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.

SOUTHERN CROSS HEALTHCARE FACILITIES LIMITED

Report of the directors for the period ended 31 March 1997 (*Continued*)

Auditors

BDO Stoy Hayward, who were appointed as first auditors of the company by the directors, have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the board

K Steven

Ken Stae

Secretary

Date

31ST DECEMBER 1997.

SOUTHERN CROSS HEALTHCARE FACILITIES LIMITED

Report of the auditors

To the shareholders of Southern Cross Healthcare Facilities Limited

We have audited the financial statement on page 4.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on this statement and to report our opinion to you.

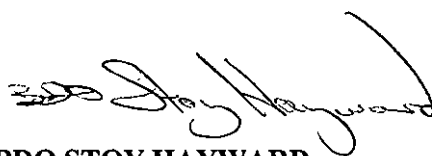
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practice 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 statement is 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 statement.

Opinion

In our opinion the financial statement gives a true and fair view of the state of the company's affairs as at 31 March 1997 and has been properly prepared in accordance with the Companies Act 1985.



BDO STOY HAYWARD
*Chartered Accountants
and Registered Auditors*
London

31 December 1997

SOUTHERN CROSS HEALTHCARE FACILITIES LIMITED

Balance sheet at 31 March 1997

	1997 £
Current assets	
Other debtors	2
	<u> </u>
Capital and reserves	
Called up share capital	
<i>Authorised</i>	
Ordinary shares of £1 each	100
	<u> </u>
<i>Allotted</i>	
Ordinary shares of £1 each	2
	<u> </u>

The company, whose ultimate parent company is Southern Cross Healthcare Limited, was dormant and did not trade during the period and accordingly no profit and loss account is presented.

This financial statement was approved by the Board on 31st December 1997



K Steven
Director