

**REGISTRAR OF
COMPANIES**

**Southern Cross Healthcare Facilities
Limited**

Report and Financial Statements

52 Weeks Ended

25 March 2000



BDO Stoy Hayward
Chartered Accountants

SOUTHERN CROSS HEALTHCARE FACILITIES LIMITED

Annual report and financial statement for the 52 weeks ended 25 March 2000

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Directors

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Directors

J E Moreton
A D Thorne
L E Mark
P H Scott
C Rutter

Secretary and registered office

C Rutter, Park House, 11 Sheet Street, Windsor, Berkshire, SL4 1BN.

Company number

3225331

Auditors

BDO Stoy Hayward, 8 Baker Street, London, W1U 3LL.

SOUTHERN CROSS HEALTHCARE FACILITIES LIMITED

Report of the directors for the 52 weeks ended 25 March 2000

The directors have pleasure in submitting their report together with the financial statement of the company for the period ended 25 March 2000.

Results and dividends

The profit and loss account is set out on page 4.

The directors do not recommend the payment of a dividend.

Principal activity

The company's principal activity is the development for sale of nursing and residential homes which are subsequently leased and operated by other group companies however the company did not trade in the period and the directors expect it to be dormant for the foreseeable future.

Directors

The directors of the company during the period were:

A D Thorne	
J E Moreton	
L E Mark	
T L Stables	(resigned 31 December 2000)
K Steven	(resigned 31 December 2000)
P H Scott	(appointed 6 November 2000)
C Rutter	(appointed 17 December 2000)

None of the directors had any interest in the share capital of the company.

The interests of the directors in the issued share capital of the immediate 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 year. 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 52 weeks ended 25 March 2000 (*Continued*)

Auditors

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

This report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board


J E Moreton

Director

Date

3-4-01

SOUTHERN CROSS HEALTHCARE FACILITIES LIMITED

Report of the auditors

To the shareholders of Southern Cross Healthcare Facilities Limited

We have audited the financial statements on pages 4 to 8 which have been prepared under the accounting policies set out on page 6.

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 statements gives a true and fair view of the state of the company's affairs as at 25 March 2000 and have been properly prepared in accordance with the Companies Act 1985.

BDO STOY HAYWARD
*Chartered Accountants
and Registered Auditors*
London

3 April 2001

SOUTHERN CROSS HEALTHCARE FACILITIES LIMITED**Profit and loss account for the 52 weeks ended 25 March 2000**

	Note	2000 £	1999 £
Turnover	2	-	-
Direct costs		-	26,151
		<hr/>	<hr/>
Gross loss		-	26,151
Administrative expenses		-	14,490
Profit on sale of development properties	3	-	506,362
		<hr/>	<hr/>
Profit on ordinary activities before taxation	2	-	465,721
Taxation	4	-	-
		<hr/>	<hr/>
Profit on ordinary activities after taxation, and retained		-	465,721
		<hr/> <hr/>	<hr/> <hr/>

All amounts relate to discontinued activities.

All recognised gains and losses are included in the profit and loss account.

The notes on pages 6 to 8 form part of these financial statements


SOUTHERN CROSS HEALTHCARE FACILITIES LIMITED

Balance sheet at 25 March 2000

	Note	2000	1999
		£	£
Current assets			
Debtors	5	539,944	539,944
Creditors: amounts falling due within one year	6	74,221	74,221
Net current assets		<u>465,723</u>	<u>465,723</u>
Total assets less current liabilities		<u>465,723</u>	<u>465,723</u>
Capital and reserves			
Called up share capital	7	2	2
Profit and loss account		<u>465,721</u>	<u>465,721</u>
Shareholders' funds - equity		<u>465,723</u>	<u>465,723</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 3 April 2001



J E Moreton
Director

The notes on pages 6 to 8 form part of these financial statements

SOUTHERN CROSS HEALTHCARE FACILITIES LIMITED

Notes forming part of the financial statements for the 52 weeks ended 25 March 2000

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Turnover

Turnover represents fees charged (excluding VAT) for the provision of services and proceeds from the sale of properties.

Development properties

Properties in the course of development are stated at the lower of cost and net realisable value.

Profit or loss on the sale of development properties is recognised in the year in which practical completion and health authority registration takes place provided contracts are exchanged before the year-end and completed prior to the financial statements being approved by the directors.

Deferred taxation

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes, except that no provision is made where it can be reasonably foreseen that such deferred taxation will not be payable in the future.

2 Turnover

Turnover relates to the principal activities of the company and arises wholly within the UK.

3 Profit on sale of development properties

	2000 £	1999 £
Turnover	-	3,187,000
Cost of sales	-	2,680,638
	<hr/>	<hr/>
	-	506,362
	<hr/>	<hr/>

SOUTHERN CROSS HEALTHCARE FACILITIES LIMITED

Notes forming part of the financial statements for the 52 weeks ended 25 March 2000 (*Continued*)

4 Taxation on profits from ordinary activities

No taxation was payable in either year due to the availability of group tax losses.

5 Debtors

	2000 £	1999 £
Amounts receivable within one year		
Amounts due from group undertakings	539,944	539,944
	<u> </u>	<u> </u>

6 Creditors: amounts falling due within one year

	2000 £	1999 £
Amounts due to group undertakings	45,936	45,936
Other creditors	28,285	28,285
	<u> </u>	<u> </u>
	74,221	74,221
	<u> </u>	<u> </u>

7 Share capital

	Authorised		Allotted, called up and fully paid	
	2000 £	1999 £	2000 £	1999 £
Ordinary shares of £1 each	100	100	2	2
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

SOUTHERN CROSS HEALTHCARE FACILITIES LIMITED

Notes forming part of the financial statements for the 52 weeks ended 25 March 2000 *(Continued)*

8 Cash flow statement

The company has used the exemption under Financial Reporting Standard 1, "Cash Flow Statements", not to prepare a cash flow statement as it is consolidated in the financial statements of its parent company.

9 Ultimate parent company

The immediate parent company is Southern Cross Healthcare Limited, a company registered in England and which prepares consolidated financial statements.

The ultimate parent company is Manuwai Investments Limited, a company incorporated in Jersey.