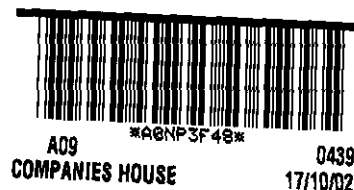


C. JAGO HEALTHCARE LIMITED
FINANCIAL STATEMENTS

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C. JAGO HEALTHCARE LIMITED

DIRECTORS REPORT

The Directors have pleasure in submitting their Annual Report, together with the Financial Statements of the Company, for the year ended 31st October 2001.

STATEMENT OF DIRECTORS RESPONSIBILITIES

Company Law require Directors to prepare Financial Statements for each Financial period which give a true and fair view of the state of affairs of the Company and of the profits 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 judgement and estimates that are reasonable and prudent.

Prepare the Financial Statements on a 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.

ACTIVITIES

The principal activity of the Company is that of **RESIDENTIAL CARE.**

RESULTS

The results for the year are shown in the Profit and Loss Account on Page 4.

DIVIDENDS

The Directors do not propose the payment of a dividend this year.

FIXED ASSETS

Information relating to changes in tangible Fixed Assets is given in Note 6 to the Financial Statements.

DIRECTORS

The Directors during the year were: CHRISTINE JAGO
ROBERT PAUL JAGO

SECRETARY

ROBERT PAUL JAGO

REGISTERED OFFICE

WINDRUSH,
58, NORWICH ROAD,
SALHOUSE,
NORWICH, HAM
NORFOLK, NR13 6QG

C. JAGO HEALTHCARE LIMITED

DIRECTORS REPORT (contd.)

DIRECTORS INTEREST IN THE SHARE OF THE COMPANY

The Directors who held office at the end of the financial year had the following interests in the shares of the Company;

	Class of Share	At Beginning of Year	At end of Year
Christine Jago	Ordinary	80	90
Robert Paul Jago	Ordinary	10	10
		<hr/>	<hr/>
		£ 90	£ 100
		<hr/>	<hr/>

DIRECTORS

The present directors are as shown above.

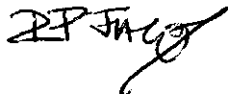
CLOSE COMPANY

The Company is a Close Company under the meaning of Section 414 Income and Corporation Taxes Act 1988.

SMALL COMPANIES RULES

Advantage is taken in the preparation of the Directors' report of the special exemptions applicable to small companies conferred by Part 11 of Schedule 8 of the Companies Act 1985 on the grounds that in the opinion of the Directors the Company is entitled to these exemptions as a Small Company.

By Order Of the Board.



ROBERT PAUL JAGO

SECRETARY

DATE 19TH AUGUST 2002

C. JAGO HEALTHCARE LIMITED

ACCOUNTANTS REPORT

TO THE MEMBERS OF C. JAGO HEALTHCARE LIMITED.

We have examined, without carrying out an Audit, the Financial Statements for the year ended the 31st October 2001 set out on Pages 4 - 10 which have been prepared under the historical cost convention and the attached Statement of Accounting Policies set out on Page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS.

As described in the Directors Report, the Directors are responsible for the preparation of Financial Statements and they believe the Company is exempt from an Audit. It is our responsibility to examine the Financial Statements and, based on our examination, to report our opinion, as set out below, to the Shareholders.

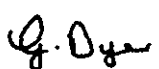
BASIS OF OPINION.

We conducted our examination in accordance with appropriate standards for reporting Accountants, issued by the Auditing Practices Board. This examination consisted of comparing the Accounts with the Accounting Records kept by the Company, and making such limited enquiries of the Officers of the Company as we considered necessary for the purposes of this Report. The examination was not an Audit conducted in accordance with Auditing Standards. Accordingly, we do not express an audit opinion on the Accounts.

OPINION.

In our opinion:-

- a) The Accounts are in agreement with those Accounting Records kept by the Company under Section 221 of the Companies Act 1985.
- b) Having regard only to, and on the basis of the information contained in those Accounting Records, the Accounts have been drawn up in a manner consistent with the accounting requirements specified in Section 249C (6) of the Act.
- c) Having regard only to, and on the basis of information contained in these Accounting Records, the Company satisfied the conditions for exemption from an Audit of the accounts for the year specified in Section 249A (4) of the Act, and did not, at any time within that year, fall within any of the Categories of Companies not entitled to the exemption specified in Section 249B (1) (a) to (f).


G. G. DYER
REPORTING ACCOUNTANT

DATE: 19TH AUGUST 2002

11, TRAVERSE STREET,
NORWICH,
NR3 1EQ.

C. JAGO HEALTHCARE LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST OCTOBER 2001

	Notes			2000
		£	£	£
TURNOVER	2	95,785		109,841
COST OF SALES		<u>45,950</u>		<u>56,276</u>
GROSS PROFIT		49,835		53,565
NET OPERATING EXPENSES		42,545		29,032
OPERATING PROFIT				
on Ordinary Activities	3	7,290		24,533
INTEREST AND SIMILAR CHARGES PAYABLE	8	295		163
COMPANY FORMATION EXPENSES		<u>-</u>		<u>85</u>
PROFIT on Ordinary Activities before taxation		6,995		24,285
CORPORATION TAX	1d	1,328		3,887
DIVIDENDS		<u>-</u>		<u>9,000</u>
		1,328		12,887
		5,667		11,398

The notes on Pages 6 - 10 form an integral part of the Accounts.

C. JAGO HEALTHCARE LIMITED

**BALANCE SHEET
AS AT 31ST OCTOBER 2001**

	Notes		2000
		£	£
FIXED ASSETS			
Tangible Assets	5	16,828	10,350
CURRENT ASSETS			
Debtors	6	1,183	351
Cash at Bank and In Hand		<u>5,370</u>	<u>25,820</u>
		6,553	26,171
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	9	<u>6,216</u>	<u>25,023</u>
NET CURRENT ASSETS		337	1,148
TOTAL ASSETS LESS CURRENT LIABILITIES		17,165	11,498
CAPITAL AND RESERVE			
Called up Share Capital		17,065	11,398
Profit and Loss Account		100	100
SHAREHOLDERS FUNDS		17,165	11,498

The Directors are satisfied that the Company was entitled to exemption under Sub-Section (2) of Section 249 (A) of the Companies Act 1985 and that no member, or members have requested an Audit pursuant to Sub-Section (2) of Section 249B.

The Directors acknowledge their responsibilities for:-

- i) Ensuring that the Company keeps Accounting Records which comply with Section 221, and
- ii) Preparing Accounts which give a true and fair view of the state of affairs of the Company at the end of the Financial year and of its Profit or Loss for the Financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to Accounts, so far as applicable to the Company.

The Directors have taken advantage of the Special Exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the Company is entitled to those exemptions as a Small Company.

ON BEHALF OF THE BOARD.

CHRISTINE JAGO

ROBERT P. JAGO

DATE: 19TH AUGUST 2002

The notes on Pages 6 to 10 form part of the Financial Statements.

C. JAGO HEALTHCARE LIMITED

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
YEAR ENDED 31ST OCTOBER 2001**

1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the Financial Statements are set out below and have been consistently applied within the same accounts.

(a) Basis of Preparation of Financial Statements

The Financial Statements have been prepared under the historical cost convention.

The effects of events relating to the year ended 31st October 2001 which occurred before the date of approval of the Financial Statements by the Board of Directors, have been included to the extent required to show a true and fair view of the state of affairs at 31st October 2001 and of the results for the year ended on that date.

(b) Turnover

The principal activity of the Company is that of **RESIDENTIAL CARE**.

Turnover represents the value of fees receivable during the year.

(c) Depreciation

Depreciation is provided by the Company so as to write off the cost of fixed tangible assets over their estimated useful economic lives. The annual depreciation Rates and Methods are as follows:-

Motor Vehicle	25% Reducing Balance
Furniture and Equipment	25% Reducing Balance

(d) Taxation

The charge for taxation is based on the results for the year and takes into account taxation deferred because of the timing differences between the treatment of certain items for taxation and accounting purposes. The charge also includes £624 underreserve in previous year.

C. JAGO HEALTHCARE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
YEAR ENDED 31ST OCTOBER 2001

2. **TURNOVER**

Turnover represents the value of fees receivable for the year.

3. **OPERATING PROFIT**

2000

	£	£
Operating Profit is stated:-		
After Charging:		
Total Directors Remuneration	12,898	9,256
Auditors Remuneration	350	325
Depreciation of Fixed Tangible Assets	<u>5,937</u>	<u>3,448</u>

4. **DIRECTORS' REMUNERATION**

Salaries	12,240	8,810
Social Security Costs	658	446
	<u>12,898</u>	<u>9,256</u>

STAFF COSTS

Wages and Salaries including Social Security Costs and Agency Staff	<u>43,106</u>	<u>53,329</u>
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C. JAGO HEALTHCARE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
YEAR ENDED 31ST OCTOBER 2001

5. FIXED TANGIBLE ASSETS

	Motor Vehicle	Fixtures & Fittings	Total
	£	£	£
COST:			
As at 1st November 2000	11,495	5,653	17,148
Additions during year	17,630	1,285	18,915
Adjustment re Cost of Disposals	(11,495)	-	(11,495)
	<hr/>	<hr/>	<hr/>
As at 31st October 2001	17,630	6,938	24,568
	<hr/>	<hr/>	<hr/>
DEPRECIATION:			
As at 1st November 2000	4,667	2,131	6,798
Charge for the year	4,407	1,202	5,609
Adjustment re Disposals	(4,667)	-	(4,667)
	<hr/>	<hr/>	<hr/>
As at 31st October 2001	4,407	3,333	7,740
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
As at 31st October 2001	13,223	3,605	16,828
	<hr/>	<hr/>	<hr/>

6. DEBTORS

Trade Debtors	NIL	NIL
Other Debtors	400	NIL
Prepayments	783	351
	<hr/>	<hr/>
	1,183	351
	<hr/>	<hr/>

All debtors are due within one year

C. JAGO HEALTHCARE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
YEAR ENDED 31ST OCTOBER 2001

		2000
	£	£
8	INTEREST PAYABLE AND SIMILAR CHARGES	
	Bank Charges	295 163
		<hr/>
9	CREDITORS	
	Due within one year	Due within one year
	£	£
	Directors Current Accounts	3,757 19,377
	Trade Creditors	365 340
	Social Security and Taxation	766 1,359
	Accruals	- 60
	Corporation Tax	1,328 3,887
		<hr/>
		6,216 25,023
		<hr/>
	All creditors are due within one year.	
10	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS	
	£	£
	Balance brought forward	11,398 -
	Profit for Financial year (after dividends and corporation tax)	5,667 11,398
		<hr/>
		17,065 11,398
		<hr/>

C. JAGO HEALTHCARE LIMITED

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
YEAR ENDED 31ST OCTOBER 2001**

11 CALLED UP SHARE CAPITAL

	Authorised		Allotted Called and Fully Paid	
	No.	£	No.	£
Ordinary Shares of £1 each	100	100	100	100
		<hr/>		<hr/>

12 CAPITAL COMMITMENTS

Contracted for but not provided	NIL
Authorised but not contracted for	NIL