

Registered number
04333598

LR Healthcare Limited

Report and Accounts

30 September 2006



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LR Healthcare Limited
Report and accounts
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**LR Healthcare Limited
Company Information**

Director

Mr C King

Secretary

Mr R N Luck

Registered office

St Alphage House
2 Fore Street
London
EC2Y 5DH

Auditors

UHY Hacker Young
168 Church Road
Hove
East Sussex
BN3 2DL

Registered number

04333598

LR Healthcare Limited
Director's Report

The director presents his report and accounts for the year ended 30 September 2006

Principal activities and review of the business

The company acts as a property development and investment company. The director considers the financial position at 30 September 2006 to be satisfactory.

Results and dividends

The result for the year is set out in the profit and loss account on page 5. The director does not recommend the payment of a dividend.

Director

The director who served during the year was as follows:

Mr I M Livingstone (resigned 4th April 2007)

Mr C King (appointed 4th April 2007)

The director had no interest in the ordinary shares of the company at any time during the year.

Auditors

The Company passed an Elective Resolution during the year, pursuant to Section 386 of the Companies Act 1985, electing to dispense with the obligation to re-appoint auditors annually. The resolution remains in force.

This report was approved by the board on 17 July 2007.

Mr R N Luck



Secretary

LR Healthcare Limited

Statement of Director's Responsibilities

Company law requires the director 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 for that period. In preparing those accounts, the director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business

The director is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the accounts comply with the Companies Act 1985. He is 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

LR Healthcare Limited

Independent auditors' report to the shareholders of LR Healthcare Limited

We have audited the accounts of LR Healthcare Limited for the year ended 30 September 2006 which comprise pages 5 to 10. These accounts have been prepared under the historical cost convention as modified to include the revaluation of tangible fixed assets and 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 Director's Responsibilities the company's director is responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the accounts 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 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 Director's Report 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 director's remuneration and transactions with the company is not disclosed.

We read the Director's 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 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.

Opinion

In our opinion:

- the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 September 2006 and of its profit for the year then ended,
- the accounts have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the accounts for the year ended 30 September 2006.



UHY Hacker Young
Chartered Accountants and Registered Auditors

168 Church Road
Hove
East Sussex
BN3 2DL

17 July 2007

LR Healthcare Limited
Profit and Loss Account
for the year ended 30 September 2006

	Notes	2006 £	2005 £
Turnover	2	109,412	62,754
Administrative expenses		(13,865)	(8,543)
Operating profit	3	<u>95,547</u>	<u>54,211</u>
Profit on ordinary activities before taxation		<u>95,547</u>	<u>54,211</u>
Tax on profit on ordinary activities	4	-	-
Profit for the financial year		<u>95,547</u>	<u>54,211</u>
Retained profit for the financial year	10	<u>95,547</u>	<u>54,211</u>

LR Healthcare Limited
Statement of total recognised gains and losses
for the year ended 30 September 2006

	Notes	2006 £	2005 £
Profit for the financial year	10	95,547	54,211
Unrealised surplus/(deficit) on revaluation of properties	9	136,069	(58,851)
Total recognised gains and losses related to the year		<u>231,616</u>	<u>(4,640)</u>

LR Healthcare Limited
Balance Sheet
as at 30 September 2006

	Notes	2006 £	2005 £
Fixed assets			
Tangible assets	5	1,898,642	1,310,000
Current assets			
Debtors	6	25,902	10,169
Creditors: amounts falling due within one year	7	(1,697,567)	(1,324,808)
Net current liabilities		(1,671,665)	(1,314,639)
		<u>226,977</u>	<u>(4,639)</u>
Capital and reserves			
Called up share capital	8	1	1
Revaluation reserve	9	77,218	(58,851)
Profit and loss account	10	149,758	54,211
Shareholders' funds			
Equity		<u>226,977</u>	<u>(4,639)</u>
	11	<u>226,977</u>	<u>(4,639)</u>



Mr C King
Director
Approved by the board on 17 July 2007

LR Healthcare Limited
Notes to the Accounts
for the year ended 30 September 2006

1 Accounting policies

The accounts have been prepared in accordance with applicable accounting standards. A summary of the more important accounting policies which have been consistently applied are given below.

Accounting convention

The accounts have been prepared under the historical cost convention as modified to include the revaluation of tangible fixed assets and in accordance with applicable accounting standards.

Depreciation

Compliance with Statement of Standard Accounting Practice 19 (SSAP 19) "Accounting for Investment Properties" requires departure from the requirements of the Companies Act 1985 relating to depreciation and an explanation for the departure is given below.

Investment properties

In accordance with SSAP 19, investment properties are revalued annually and the surplus or deficit is transferred to the revaluation reserve. No depreciation is provided in respect of investment properties. This departure from the Companies Act 1985, which requires all properties to be depreciated, is, in the opinion of the directors, necessary for the financial statements to show a true and fair view in accordance with applicable accounting standards.

Deferred taxation

Deferred tax is provided in respect of all timing differences that have originated, but not reversed, at the balance sheet date that give rise to an obligation to pay more or less tax in the future. Deferred tax is not recognised when fixed assets are revalued unless, by the balance sheet date, there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements.

Deferred tax is measured on a non-discounted basis. A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cashflow statement on the grounds that the company is wholly owned and its ultimate parent publishes a consolidated cashflow statement.

Turnover

Turnover comprises rental income net of value added tax.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity, wholly undertaken in the UK.

3 Operating profit

2006	2005
£	£

This is stated after charging

Auditors' remuneration	<u>2,000</u>	<u>1,750</u>
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LR Healthcare Limited
Notes to the Accounts
for the year ended 30 September 2006

4 Taxation

No tax has been provided for due to the availability of losses through group relief

5 Tangible fixed assets

	Freehold land and buildings £
Investment properties at valuation	
At 1 October 2005	1,310,000
Additions	452,573
Surplus on revaluation	<u>136,069</u>
At 30 September 2006	<u>1,898,642</u>
 At cost	 <u>1,821,424</u>

The investment property has been valued at open market value as at 30 September 2006 by the director. Properties under development are stated at cost

6 Debtors	2006 £	2005 £
Trade debtors	24,546	8,813
Other debtors	1	1
Prepayments and accrued income	<u>1,355</u>	<u>1,355</u>
	<u>25,902</u>	<u>10,169</u>

7 Creditors: amounts falling due within one year	2006 £	2005 £
Amounts owed to group undertakings	1,659,709	1,276,126
Other taxes and social security costs	4,186	2,844
Accruals and deferred income	<u>33,672</u>	<u>45,838</u>
	<u>1,697,567</u>	<u>1,324,808</u>

8 Share capital			2006 £	2005 £
	2006 No	2005 No		
Authorised				
Ordinary shares of £1 each	1,000	1,000	<u>1,000</u>	<u>1,000</u>
	2006 No	2005 No	2006 £	2005 £
Allotted, called up and fully paid				
Ordinary shares of £1 each	1	1	<u>1</u>	<u>1</u>

LR Healthcare Limited
Notes to the Accounts
for the year ended 30 September 2006

9 Revaluation reserve	2006	2005
	£	£
At 1 October	(58,851)	-
Arising on revaluation during the year	136,069	(58,851)
At 30 September	<u>77,218</u>	<u>(58,851)</u>

10 Profit and loss account	2006	2005
	£	£
At 1 October	54,211	-
Retained profit	95,547	54,211
At 30 September	<u>149,758</u>	<u>54,211</u>

11 Reconciliation of movement in shareholders' funds	2006	2005
	£	£
At 1 October	(4,639)	1
Profit for the financial year	95,547	54,211
Other recognised gains and losses	136,069	(58,851)
At 30 September	<u>226,977</u>	<u>(4,639)</u>

12 Related party transactions

The company has taken advantage of the exemption in FRS8 that transactions do not need to be disclosed with companies 90% or more of whose voting rights are controlled within the group

13 Parent Undertaking

The company is a wholly owned subsidiary of London & Regional Investment Holdings Ltd, a company incorporated and registered in the England and Wales. The ultimate parent undertaking is Loopsign Ltd, a company incorporated in England and Wales. The ultimate controlling parties are I M Livingstone and R J Livingstone through their joint ownership of Loopsign Ltd