



**LR BOSS LIMITED (FORMERLY
CANNON CAPITAL BOSS
LIMITED)**

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

13 OCTOBER 2004

LR BOSS LIMITED (FORMERLY CANNON CAPITAL BOSS LIMITED)

FINANCIAL STATEMENTS

For the period ended 13 OCTOBER 2004

Company registration number: 05085790

Registered office: 4th Floor
St Alphage House
2 Fore Street
London
EC2Y 5DH

Directors: C King
R N Luck

Secretary: R N Luck

Auditors: Grant Thornton UK LLP
Registered Auditors
Chartered Accountants
Grant Thornton House
Melton Street
Euston Square
London
NW1 2EP

LR BOSS LIMITED (FORMERLY CANNON CAPITAL BOSS LIMITED)

FINANCIAL STATEMENTS

For the period ended 13 OCTOBER 2004

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LR BOSS LIMITED (FORMERLY CANNON CAPITAL BOSS LIMITED)

REPORT OF THE DIRECTORS

The directors present their report together with the audited financial statements for the period ended 13 October 2004.

Principal activity

The principal activity of the company is that of investment holding.

The results for the period are as set out on page 6.

Business review

There was a loss for the period after taxation amounting to £84,000 (31 May 2004: £32,000). The directors cannot recommend the payment of a dividend.

Directors

The directors at 13 October 2004 were:

J P Flaherty (resigned 13 October 2005)
M D Gosling (resigned 13 October 2005)
C M Jap (resigned 13 October 2005)
J Storey (resigned 13 October 2005)
C King (appointed 13 October 2005)
R N Luck (appointed 13 October 2005)

The interests of the directors in the share capital of the ultimate parent undertaking, Loopsign Limited are shown in the accounts of that company.

Directors' responsibilities for the financial statements

United Kingdom 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
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LR BOSS LIMITED (FORMERLY CANNON CAPITAL BOSS LIMITED)

REPORT OF THE DIRECTORS

Auditors

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD



Secretary

R N Luck

15 Feb 2006

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF

LR BOSS LIMITED

We have audited the financial statements of LR Boss Limited for the period ended 13 October 2004 which comprise the principal accounting policies, the profit and loss account, the balance sheet and notes 1 to 14. These financial statements have been prepared under 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 auditors' 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 the directors and auditors

The directors' responsibilities for preparing the directors' report and the financial statements in accordance with United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the financial statements 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 directors' report is not consistent with the financial statements, 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 is not disclosed.

We read other information contained in the directors' report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of 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 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 statements 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 financial statements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF

LR BOSS LIMITED

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 13 October 2004 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Grant Thornton UK LLP

**GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS**

LONDON

15 February **2006**

LR BOSS LIMITED (FORMERLY CANNON CAPITAL BOSS LIMITED)

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

The company is exempt from producing consolidated financial statements as the group qualifies as small under Section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

INVESTMENTS

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the results from ordinary activities.

DEFERRED TAXATION

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

LR BOSS LIMITED (FORMERLY CANNON CAPITAL BOSS LIMITED)**PROFIT AND LOSS ACCOUNT**

For the period ended 13 OCTOBER 2004

	Note	Period ended 13 October 2004 £'000	Period ended 31 May 2004 £'000
Administrative expenses		<u>(4)</u>	<u>(1)</u>
Operating loss		(4)	(1)
Net interest	2	<u>(80)</u>	<u>(31)</u>
Loss on ordinary activities before taxation	1	(84)	(32)
Tax on loss on ordinary activities	3	<u>-</u>	<u>-</u>
Loss retained and transferred from reserves	9	<u>(84)</u>	<u>(32)</u>

All transactions arise from continuing operations.

There were no recognised gains or losses other than the loss for the financial period.

The accompanying accounting policies and notes form an integral part of these financial statements.

LR BOSS LIMITED (FORMERLY CANNON CAPITAL BOSS LIMITED)

BALANCE SHEET AT 13 OCTOBER 2004

	Note	At 13 October 2004 £'000	At 31 May 2004 £'000
Fixed assets			
Investments	4	<u>3,280</u>	<u>3,273</u>
		3,280	3,273
Current assets			
Debtors	5	<u>1,329</u>	<u>1,332</u>
Cash at bank and in hand		<u>113</u>	<u>59</u>
		1,442	1,391
Creditors: amounts falling due within one year	6	<u>(270)</u>	<u>(128)</u>
Net current assets		<u>1,172</u>	<u>1,263</u>
Total assets less current liabilities		<u>4,452</u>	<u>4,536</u>
Creditors: amounts falling due after one year	7	<u>(4,568)</u>	<u>(4,568)</u>
		<u>(116)</u>	<u>(32)</u>
Capital and reserves			
Called up share capital	8	-	-
Profit and loss account	9	<u>(116)</u>	<u>(32)</u>
Shareholders' deficit	10	<u>(116)</u>	<u>(32)</u>

The financial statements were approved by the Board of Directors on 15 Feb 2006.



- Director

The accompanying accounting policies and notes form an integral part of these financial statements.

LR BOSS LIMITED (FORMERLY CANNON CAPITAL BOSS LIMITED)**NOTES TO THE FINANCIAL STATEMENTS**

For the period ended 13 OCTOBER 2004

1 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

The auditor's remuneration (for audit and non-audit services), is borne by a fellow group company.

2 NET INTEREST

	Period ended 13 October 2004 £'000	Period ended 31 May 2004 £'000
Interest income:		
Bank and other	1	1
Loans to subsidiary undertaking	29	11
	30	12
Interest expense:		
Bank loans	(56)	(21)
Loans from group undertakings	(46)	(19)
Loan notes	(8)	(3)
	(80)	(31)

3 TAX ON LOSS ON ORDINARY ACTIVITIES

There is no tax charge in either period due to the availability of tax losses.

4 INVESTMENTS IN SUBSIDIARY UNDERTAKING

	£'000
Cost and net book value	
At 1 June 2004	3,273
Additions	7
At 13 October 2004	3,280

The investment represents 100% of the issued share capital of Clydecare Limited, a nursing home operator, incorporated in Scotland.

5 DEBTORS

	At 13 October 2004 £'000	At 31 May 2004 £'000
Amounts due in less than one year:		
Amounts due from other group undertakings	-	3
Amounts falling due in more than one year:		
Amounts due from other group undertakings	1,329	1,329
	1,329	1,332

LR BOSS LIMITED (FORMERLY CANNON CAPITAL BOSS LIMITED)**NOTES TO THE FINANCIAL STATEMENTS**

For the period ended 13 OCTOBER 2004

6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	At 13 October 2004 £'000	At 31 May 2004 £'000
Trade creditors	-	55
Amounts due to group undertakings	258	57
Accruals and deferred income	6	16
Sundry creditors	6	-
	<u>270</u>	<u>128</u>

7 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	At 13 October 2004 £'000	At 31 May 2004 £'000
Bank loans	2,505	2,505
Loan notes	682	682
Amounts due to group undertakings	1,381	1,381
	<u>4,568</u>	<u>4,568</u>

8 SHARE CAPITAL

	At 13 October 2004 £	At 31 May 2004 £
Authorised 1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid 1 ordinary share of £1	<u>1</u>	<u>1</u>

9 RESERVES

	Profit and loss account £'000
At 1 June 2004	(32)
Loss for the period	(84)
At 13 October 2004	<u>(116)</u>

LR BOSS LIMITED (FORMERLY CANNON CAPITAL BOSS LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 13 OCTOBER 2004

10 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT

	2004	2004
	£'000	£'000
Loss for the financial period	(84)	(32)
Net reduction in funds	(84)	(32)
Shareholders' funds at 1 June 2004	(32)	-
Shareholders' deficit at 13 October 2004	(116)	(32)

11 CAPITAL COMMITMENTS

The company had no capital commitments at 31 May 2004 or 13 October 2004

12 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 May 2004 or 13 October 2004.

13 TRANSACTIONS WITH DIRECTORS AND OTHER RELATED PARTIES

The company has taken advantage of the exemption in Financial Reporting Standard No 8 "Related party disclosures" and has not disclosed transactions with group undertakings.

There are no other related party transactions.

14 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Loopsign Limited, a company incorporated in England and Wales, by virtue of its 100% ownership in the share capital of the company. The ultimate controlling parties are considered to be Ian Livingstone and Richard Livingstone as joint shareholders of the parent company.

The former ultimate parent company up to the date of disposal of 13 October 2005 was Cannon Capital Ventures Limited, incorporated in England and Wales.