

**REGISTERED NUMBER: 190038 (Scotland)**

**SCOTTISH MEDICINE LIMITED**  
**UNAUDITED ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2004**

Ritson Smith  
Chartered Accountants  
16 Carden Place  
Aberdeen  
AB10 1FX



**SCOTTISH MEDICINE LIMITED**

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FOR THE YEAR ENDED 31 OCTOBER 2004**

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**SCOTTISH MEDICINE LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 OCTOBER 2004**

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**DIRECTOR:** K Milne

**SECRETARY:** Stronachs

**REGISTERED OFFICE:** 34 Albyn Place  
Aberdeen  
AB10 1FW

**REGISTERED NUMBER:** 190038 (Scotland)

**ACCOUNTANTS:** Ritson Smith  
Chartered Accountants  
16 Carden Place  
Aberdeen  
AB10 1FX

**BANKERS:** The Bank of Scotland  
PO Box 5  
The Mound  
Edinburgh  
EH1 1YZ

**SCOTTISH MEDICINE LIMITED****ABBREVIATED BALANCE SHEET  
31 OCTOBER 2004**

		2004	2003
	Notes	£	£
<b>FIXED ASSETS</b>			
Investments	2	1	4,171
<b>CURRENT ASSETS</b>			
Cash at bank		-	1,314,126
<b>CREDITORS</b>			
Amounts falling due within one year		6,352	6,492
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		(6,352)	1,307,634
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		(6,351)	1,311,805
<b>CAPITAL AND RESERVES</b>			
Called up share capital	3	557,250	557,250
Share premium		4,587,750	4,587,750
Profit and loss account		(5,151,351)	(3,833,195)
<b>SHAREHOLDERS' FUNDS</b>		(6,351)	1,311,805

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 October 2004.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2004 in accordance with Section 249B(2) of the Companies Act 1985.

The director acknowledges his responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The notes form part of these abbreviated accounts

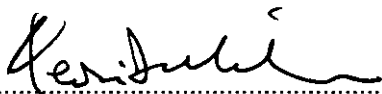
**SCOTTISH MEDICINE LIMITED**

**ABBREVIATED BALANCE SHEET - continued**  
**31 OCTOBER 2004**

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These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

**ON BEHALF OF THE BOARD:**



.....  
K Milne - Director

Approved by the Board on ..... 23 January 2006

The notes form part of these abbreviated accounts

# SCOTTISH MEDICINE LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 2004

### 1. ACCOUNTING POLICIES

#### Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

#### Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

#### Group accounts

The company has not prepared group accounts as it is exempt under S248 of the Companies Act 1985.

### 2. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Own shares £	Totals £
<b>COST</b>			
At 1 November 2003	1	4,170	4,171
Disposals	-	(4,170)	(4,170)
	<u>1</u>	<u>-</u>	<u>1</u>
At 31 October 2004	1	-	1
	<u>1</u>	<u>-</u>	<u>1</u>
<b>NET BOOK VALUE</b>			
At 31 October 2004	1	-	1
	<u>1</u>	<u>-</u>	<u>1</u>
At 31 October 2003	1	4,170	4,171
	<u>1</u>	<u>4,170</u>	<u>4,171</u>

The company's investments at the balance sheet date in the share capital of companies include the following:

#### Expert Medical Opinions Limited

Nature of business: Dormant

	% holding	2004 £	2003 £
Class of shares:	100.00		
Ordinary			
Aggregate capital and reserves		1	1
Loss for the year		-	(7,005)
		<u>1</u>	<u>(7,005)</u>

**SCOTTISH MEDICINE LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 31 OCTOBER 2004**

**2. FIXED ASSET INVESTMENTS - continued**

**Firstcall (Scotland) Limited**

Nature of business: Dormant

	% holding	2004	2003
Class of shares:		£	£
Ordinary	100.00	1	1
Aggregate capital and reserves		<u>1</u>	<u>1</u>

**International Telemedicine Limited**

Nature of business: Dormant

	% holding	2004	2003
Class of shares:		£	£
Ordinary	100.00	1	1
Aggregate capital and reserves		<u>1</u>	<u>1</u>

**3. CALLED UP SHARE CAPITAL**

Authorised:

Number:	Class:	Nominal value:	2004	2003
			£	£
5,000,000	Ordinary	£0.10	500,000	500,000
5,000,000	A Ordinary	£0.10	500,000	500,000
			<u>1,000,000</u>	<u>1,000,000</u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2004	2003
			£	£
1,822,500	Ordinary	£0.10	182,250	182,250
3,750,000	A Ordinary	£0.10	375,000	375,000
			<u>557,250</u>	<u>557,250</u>

## **SCOTTISH MEDICINE LIMITED**

### **NOTES TO THE ABBREVIATED ACCOUNTS - continued FOR THE YEAR ENDED 31 OCTOBER 2004**

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#### **3. CALLED UP SHARE CAPITAL - continued**

##### **Dividends**

Subject to the provisions of the Companies Act 1985, the profits available for distribution will be used to pay first to the holders of the A ordinary shares and the ordinary shares as if they were one class of share in respect of each financial year ending on or after 31 October 2003 a cumulative participating dividend of a sum equal to 33.33% of Net Profit ("the Participating Dividend").

##### **Return of capital**

If the Company should be wound up, the assets remaining after payment of all liabilities (including the costs of liquidation) will be applied first in paying, to the holders of the A ordinary shares, the subscription price per share together with a sum equal to any arrears or accruals of the dividends on the A ordinary shares; second, in paying to the holders of the ordinary shares, the subscription price per share; and the balance of any assets will be distributed amongst the holders of the A ordinary shares and the ordinary shares (pari passu as if the same consisted one class of share) in proportion to the amounts paid up or credited as paid up on the shares.

##### **Conversion of A ordinary shares**

The A ordinary shareholders may, at any time, convert the whole of their A ordinary shares into a like number of ordinary shares by giving the Company notice in writing signed by 60% of the A ordinary shareholders. On the date of conversion, Scottish Medicine must pay a dividend to the A ordinary shareholders of a sum equal to all arrears and accruals of the Participating Dividend calculated down to the date of conversion.

#### **4. ULTIMATE PARENT COMPANY**

The company is a wholly owned subsidiary of Mountwest 480 Limited.