

REGISTERED NUMBER: 190038 (Scotland)

SCOTTISH MEDICINE LIMITED
UNAUDITED ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 OCTOBER 2005

Ritson Smith
Chartered Accountants
16 Carden Place
Aberdeen
AB10 1FX



SCT
COMPANIES HOUSE
178
19/07/2006

SCOTTISH MEDICINE LIMITED

**CONTENTS OF THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 OCTOBER 2005**

	Page
Company Information	1
Abbreviated Balance Sheet	2
Notes to the Abbreviated Accounts	3

SCOTTISH MEDICINE LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 OCTOBER 2005**

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 2005**

	Notes	2005 £	2004 £
FIXED ASSETS			
Investments	2	1	1
CREDITORS			
Amounts falling due within one year		6,352	6,352
NET CURRENT LIABILITIES		(6,352)	(6,352)
TOTAL ASSETS LESS CURRENT LIABILITIES		(6,351)	(6,351)
CAPITAL AND RESERVES			
Called up share capital	3	557,250	557,250
Share premium		4,587,750	4,587,750
Profit and loss account		(5,151,351)	(5,151,351)
SHAREHOLDERS' FUNDS		(6,351)	(6,351)

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 October 2005.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2005 in accordance with Section 249B(2) of the Companies Act 1985.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) 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.

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 11-7-06

The notes form part of these abbreviated accounts

SCOTTISH MEDICINE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 2005

1. ACCOUNTING POLICIES

Fundamental accounting concept

Going concern

The company is dependent on continuing finance being made available by its parent company to enable it to meet its liabilities as they fall due.

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).

The company was dormant throughout the year ended 31 October 2005.

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 £
COST	
At 1 November 2004 and 31 October 2005	<u>1</u>
NET BOOK VALUE	
At 31 October 2005	<u>1</u>
At 31 October 2004	<u>1</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	2005 £	2004 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		<u>1</u>	<u>1</u>

SCOTTISH MEDICINE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued FOR THE YEAR ENDED 31 OCTOBER 2005

2. FIXED ASSET INVESTMENTS - continued

Firstcall (Scotland) Limited

Nature of business: Dormant

Class of shares:	% holding	2005	2004
Ordinary	100.00	£	£
Aggregate capital and reserves		<u>1</u>	<u>1</u>

International Telemedicine Limited

Nature of business: Dormant

Class of shares:	% holding	2005	2004
Ordinary	100.00	£	£
Aggregate capital and reserves		<u>1</u>	<u>1</u>

3. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	2005	2004
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:	2005	2004
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>

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.