

Libra Health Limited

Directors' report and financial statements

Year ended 31 December 2005

Registered number 1355923



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Directors' report

The directors present their annual report and the financial statements for the year ended 31 December 2005.

Principal activities

The company did not trade during the year.

Dividends

The directors do not recommend the payment of a dividend (2004: £nil).

Directors and directors' interests

The directors who held office during the year were as follows:

Dr CB Patel
 PJ Greensmith

In accordance with the articles of association, no directors retire by rotation. None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

The interests of Dr CB Patel in the shares of Priory Investments Holdings Limited (the ultimate parent company) are disclosed in the financial statements of that company.


The interests of PJ Greensmith in the shares of Priory Investments Holdings Limited are set out below:

	Interest at end of year				Interest at beginning of year			
	A Ordinary shares	B Ordinary shares	Non Voting B Ordinary shares	Preference shares	A Ordinary shares	B Ordinary shares	Non Voting B Ordinary shares	Preference shares
PJ Greensmith	-	200,000	300,000	1,500,000	-	-	-	-

Auditors

In accordance with section 250 of the Companies Act 1985 the company, being eligible, has resolved not to appoint an auditor.

By order of the board



D Spruzen
 Company Secretary

Priory House
 Randalls Way
 Leatherhead
 Surrey
 KT22 7TP

24 May 2006

Statement of directors' responsibilities

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 for that year. 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Profit and loss account
for the year to 31 December 2005

	Note	2005 £000	2004 £000
Operating profit		-	-
Profit on ordinary activities before taxation	2,3	-	-
Tax on profit on ordinary activities	4	-	339
Profit for the financial year		-	339

Balance sheet
at 31 December 2005

	Note	£000	2005 £000	£000	2004 £000
Fixed assets					
Investments	5		-		-
Current assets					
Debtors	6	11,364		11,364	
Creditors: amounts falling due within one year	7	(10,963)		(10,963)	
Net current assets			401		401
Total assets less current liabilities			401		401
Net assets			401		401
Capital and reserves					
Called up share capital	8		-		-
Profit and loss account			401		401
Shareholders' funds – equity			401		401

The company has remained dormant throughout the year.

For the year ended 31 December 2005, the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2).

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 as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

These financial statements were approved by the board of directors on 24 May 2006 and were signed on its behalf by:



PJ Greensmith
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

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

The company is exempt by virtue of section 228 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

Under Financial Reporting Standard 1 (revised) the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements. The company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group.

2 Profit on ordinary activities before taxation

The remuneration of the auditors in the preceding financial year was borne by a fellow group undertaking.

3 Remuneration of directors

The directors received no emoluments for services to the company during the year (2004: *£nil*).

The company had no employees during the year (2004: *nil*).

4 Taxation

	2005 £000	2004 £000
Adjustment in respect of prior years	-	(339)

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 30% (2004: 30%).

Notes (continued)

5 Fixed asset investments

	Total £000
<i>Shares in group undertakings</i>	
<i>Cost</i>	
At beginning and end of the year	540
<i>Provisions</i>	
At beginning and end of the year	540
<i>Net book value</i>	
At 31 December 2005	-
At 31 December 2004	-

The companies in which the company's interest at the year end is more than 20% are as follows:

	Country of incorporation	Principal Activity	Class and Percentage of shares Held
<i>Subsidiary undertakings</i>			
Libra Nursing Homes Limited	England	Non-trading	100% ordinary
Ticehurst House Private Clinic Limited	England	Non-trading	100% ordinary

6 Debtors

	2005 £000	2004 £000
Amounts owed by group undertakings	11,364	11,364

7 Creditors: amounts falling due within one year

	2005 £000	2004 £000
Amounts owed to group undertakings	10,963	10,963

Notes (continued)

8 Called up share capital

	2005 £	2004 £
Authorised		
200 (2004: 200) Ordinary shares of £1 each	200	200
	<hr/>	<hr/>
Allotted, called up and fully paid		
200 (2004: 200) Ordinary shares of £1 each	200	200
	<hr/>	<hr/>

9 Ultimate parent company

The company is a subsidiary undertaking of Priory Securitisation Limited, which is incorporated in England.

The largest group in which the results of the company are consolidated is that headed by Priory Investments Holdings Limited. No other group accounts include the results of the company.