

MIND THERAPY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002

ELLIOT & CO LLP
CHARTERED ACCOUNTANTS
84 PORTLAND ROAD
WYKE REGIS, WEYMOUTH
DORSET
DT4 9AB



MIND THERAPY LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2002

The directors present their report and the financial statements for the year ended 31 December 2002.

Principal activity

The principal activity of the company is business and management consultancy.

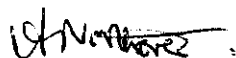
Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	31/12/02	01/01/02
C Taylor	1	1

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 17 June 2003 and signed on its behalf by



Mrs A M Northover
Secretary

MIND THERAPY LIMITED

**ACCOUNTANTS' REPORT ON THE UNAUDITED FINANCIAL STATEMENTS TO THE
MIND THERAPY LIMITED**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 December 2002 set out on pages 3 to 7 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.

**ELLIOT & CO LLP
CHARTERED ACCOUNTANTS
84 PORTLAND ROAD
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DORSET
DT4 9AB**

Date: 17 June 2003

MIND THERAPY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2002

		2002	2001
	Notes	£	£
Turnover	2	2,895	241
Cost of sales		(1,832)	-
Gross profit		<u>1,063</u>	<u>241</u>
Administrative expenses		(573)	(701)
Operating profit/(loss)		<u>490</u>	<u>(460)</u>
Investment income	3	<u>46,566</u>	<u>13,300</u>
Profit/(loss) on ordinary activities		47,056	12,840
Dividends		(46,150)	(15,650)
Retained profit/(loss) for the year		<u>906</u>	<u>(2,810)</u>
Accumulated (loss)/profit brought forward		(210)	2,600
Retained profit/(loss) carried forward		<u><u>696</u></u>	<u><u>(210)</u></u>

The notes on pages 6 to 7 form an integral part of these financial statements.

MIND THERAPY LIMITED

**BALANCE SHEET
AS AT 31 DECEMBER 2002**

		2002		2001	
	Notes	£	£	£	£
Fixed assets					
Investments	4		51		51
Current assets					
Stocks		6,500		-	
Debtors	5	-		2	
Cash at bank and in hand		6,000		443	
		<u>12,500</u>		<u>445</u>	
Creditors: amounts falling due within one year	6	<u>(11,853)</u>		<u>(704)</u>	
Net current assets/(liabilities)			647		(259)
Net assets/(liabilities)			<u>698</u>		<u>(208)</u>
Capital and reserves					
Called up share capital	7		2		2
Profit and loss account			696		(210)
Shareholders' funds			<u>698</u>		<u>(208)</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 7 form an integral part of these financial statements.

MIND THERAPY LIMITED

BALANCE SHEET (CONTINUED)

**DIRECTORS' STATEMENTS REQUIRED BY SECTION 249B(4)
FOR THE YEAR ENDED 31 DECEMBER 2002**

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31 December 2002 and


(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the Board on 17 June 2003 and signed on its behalf by


C Taylor
Director

The notes on pages 6 to 7 form an integral part of these financial statements.

MIND THERAPY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002

1. Accounting policies

1.1. Accounting convention

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

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.4. Stock

Stock is valued at the lower of cost and net realisable value.

1.5. Group accounts

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts.

2. Turnover

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

3. Income from investments

	2002 £	2001 £
Income from subsidiary undertakings	<u>46,566</u>	<u>13,300</u>

4. Fixed asset investments

	Subsidiary undertakings shares £	Total £
Cost		
At 1 January 2002		
At 31 December 2002	<u>51</u>	<u>51</u>
Net book values		
At 31 December 2002	<u>51</u>	<u>51</u>
At 31 December 2001	<u>51</u>	<u>51</u>

MIND THERAPY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002

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Fixed asset investments	2002	2001
	£	£

Mind Therapy Limited owns 51 ordinary shares in Quay Healthcare Limited, a company incorporated in England and Wales.

5.	Debtors	2002	2001
		£	£
	Other debtors	<u>2</u>	<u>2</u>
6.	Creditors: amounts falling due within one year	2002	2001
		£	£
	Trade creditors	51	51
	Directors' accounts	11,431	300
	Accruals and deferred income	371	353
		<u>11,853</u>	<u>704</u>
7.	Share capital	2002	2001
		£	£
	Authorised		
	10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
	Allotted, called up and fully paid		
	2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

8. Controlling interest

The company is controlled by Mr C Taylor who owns 50% of the share holding and is the sole company director.