

NIGHTINGALE ASSET MANAGEMENT LIMITED
(Company No : 4062893)

ANNUAL REPORT & ACCOUNTS

FOR THE YEAR ENDED 31ST AUGUST 2004

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NIGHTINGALE ASSET MANAGEMENT LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST AUGUST 2004

ACCOUNTS

The Directors present their Annual Report and Accounts for the Year Ended 31st August 2004.

STATEMENT OF DIRECTOR'S 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 of the Company for that Period. In preparing those Financial Statements, the Directors are required to:

- a. Select suitable accounting policies and then apply them consistently.
- b. Make judgments and estimates that are reasonable and prudent.
- c. 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 are also responsible for safeguarding the Assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY

The Principal Activity of the Company is that of Property Consultancy & Management, and there has been no significant change in the activities of the Company during the Year under review.

RESULTS & DIVIDENDS

The Profit for the Year amounted to £21,566. The Directors do not recommend payment of a Dividend for the Year under review.

NIGHTINGALE ASSET MANAGEMENT LIMITEDREPORT OF THE DIRECTORS (Continued)FOR THE YEAR ENDED 31ST AUGUST 2004EXPORTS

No Goods were exported from the United Kingdom by the Company during the Year under review.

FIXED ASSETS

Details of Fixed Assets are given in Note 3 to the Accounts.

DIRECTORS

The Directors who served on the Board during the Year and their interests in the Share Capital as at 31st August 2004 were as follows.

	<u>31st August 2004</u>	<u>31st August 2003</u>
David. T. G. Semple	1	1
Penelope. Semple	1	1

BY ORDER OF THE BOARD



SECRETARY

2nd December 2004

ACCOUNTANTS' REPORT TO THE SHAREHOLDERS
ON THE UNAUDITED ACCOUNTS OF
NIGHTINGALE ASSET MANAGEMENT LIMITED

We report on the Accounts for the Year Ended 31st August 2004 set out on Pages 4 to 8.

Respective Responsibilities of Directors and Reporting Accountants

As described on Page 1 the Company's Directors are responsible for the preparation of the Accounts, and they believe that the Company is exempt from an Audit. It is our responsibility to carry out procedures designed to enable us to report our opinion to you.

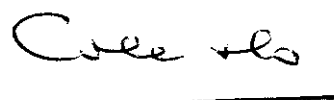
Basis of Opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the Accounts with the accounting records kept by the Company, and making such limited enquiries of the officers of the Company as we considered necessary for the purpose of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (1) The Accounts are in agreement with the accounting records kept by the Company under Section 221 of the Companies Act 1985;
- (2) Having regard only to, and on the basis of the information contained in those accounting records :
 - (a) The Accounts have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act; and
 - (b) The Company satisfied conditions for exemption from an Audit of the Accounts for the Year specified in Section 249A (4) of the Act and did not, at any time within that Year, fall within any of the categories of Companies not entitled to the exemption specified in Section 249B(1).



400 Harrow Road
LONDON, W9

Cole & Co.,
Chartered Accountants
And Reporting Accountants
LONDON

2nd December 2004

NIGHTINGALE ASSET MANAGEMENT LIMITEDPROFIT AND LOSS ACCOUNTYEAR ENDED 31ST AUGUST 2004

<u>NOTES</u>	<u>2004</u>	<u>2003</u>
<u>TURNOVER</u>	0	0
Rent Receivable	19,803	0
Less: Administrative Expenses	(15,381)	(24,921)
	4,422	(24,921)
<u>OPERATING PROFIT/(LOSS)</u>	4,422	(24,921)
Net Interest Received	9,610	6,489
Net Dividends Received	7,534	3,815
	17,144	10,304
2. <u>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</u>	21,566	(14,617)
Taxation of Profit on Ordinary Activities	0	0
<u>PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION</u>	21,566	(14,617)
Proposed Dividend	0	0
<u>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</u>	21,566	(14,617)

CONTINUING OPERATIONS

None of the Company's activities were acquired or discontinued during the above two Financial Years.

TOTAL RECOGNISED GAINS AND LOSSES

The above has no recognised Gains or Losses other than a Profit/(Loss) for the above two Financial Years.

BALANCE SHEETAS AT 31ST AUGUST 2004

<u>NOTES</u>	<u>2004</u>	<u>2003</u>
3. <u>TANGIBLE FIXED ASSETS</u>	490,983	489,658
LISTED INVESTMENTS AT COST	223,778	223,778
	<u>714,761</u>	<u>713,436</u>
<u>CURRENT ASSETS</u>		
Cash at Bank and in Hand	1,226,129	303,718
4. <u>CREDITORS</u>		
Amounts falling due within One Year	(1,933,941)	(1,031,769)
<u>NET CURRENT (LIABILITIES)</u>	<u>(707,812)</u>	<u>(728,051)</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>	<u>£ 6,949</u>	<u>£ (14,615)</u>
<u>CAPITAL AND RESERVES</u>		
5. Called Up Share Capital	2	2
Profit and Loss Account	6,947	(14,617)
	<u>£ 6,949</u>	<u>£ (14,615)</u>

For the Year Ended 31st August 2004 the Company was entitled to exemption under section 249a(2) 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 responsibility for: (i) Ensuring 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.


Director

Approved by the Board on 2.12.04

NIGHTINGALE ASSET MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST AUGUST 2004

NOTES

1. ACCOUNTING POLICIES

a) Accounting Convention

The Accounts have been prepared under the Historical Cost Convention and in accordance with the requirements of the Companies Act 1985.

b) Cash Flow Statement

The Company falls under the category of a "Small Company" as defined by the Companies Act and in view of this classification has decided not to prepare a Cash Flow Statement in accordance with the option contained within the Financial Reporting Standard (1).

c) Depreciation

Depreciation is calculated on a reducing balance basis as follows.

Furniture, Fixtures and Fittings :	25% per annum
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No provision for Depreciation of freehold buildings has been made in these Accounts as it is the Company's policy to maintain premises out of revenue and the Directors therefore consider that any depreciation would be immaterial,

NIGHTINGALE ASSET MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS (Continued)

YEAR ENDED 31ST AUGUST 2004NOTES200420032 PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging the following:

Depreciaton	£	1,004	£	1,187
		<u> </u>		<u> </u>

3. TANGIBLE FIXED ASSETS

		Freehold Property and Improvements	Furniture Fixtures & Fittings	Total
<u>Cost :</u>	At 1st September 2003	486,058	4,787	490,845
	Additions	1,914	415	2,329
	At 31st August 2004	£ 487,972	£ 5,202	£ 493,174
<u>Depreciation:</u>	At 1st September 2003	0	1,187	1,187
	Charge for the Year	0	1,004	1,004
	At 31st August 2004	£ 0	£ 2,191	£ 2,191
<u>Net Book Value :</u>	At 31st August 2004	£ 487,972	£ 3,011	£ 490,983
	At 31st August 2003	£ 486,058	£ 3,600	£ 489,658

NIGHTINGALE ASSET MANAGEMENT LIMITEDNOTES TO THE ACCOUNTS (Continued)YEAR ENDED 31ST AUGUST 2004

<u>NOTES</u>	<u>2004</u>	<u>2003</u>
4 <u>CREDITORS</u> : Amounts falling due within One Year		
Sundry Creditors & Accrued Expenses	5,300	1,968
Directors Loan Account	1,928,641	1,029,801
	<hr/>	<hr/>
	£ 1,933,941	£ 1,031,769
	<hr/>	<hr/>
5. <u>SHARE CAPITAL</u>		
Authorised : 1000 Ordinary Shares of £1 each	£ 1,000	£ 1,000
	<hr/>	<hr/>
Allotted, Called Up & Fully Paid :		
2 Ordinary Shares of £1 each	£ 2	£ 2
	<hr/>	<hr/>
6 <u>RECONCILIATION OF MOVEMENTS</u> <u>IN SHAREHOLDERS' FUNDS</u>		
Profit/(Loss) for the Financial Year	21,566	(14,617)
Dividends	0	0
	<hr/>	<hr/>
	21,566	(14,617)
Opening Shareholders' Funds	(14,617)	0
	<hr/>	<hr/>
Closing Shareholders' Funds	£ 6,949	£ (14,617)
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