

NHP SECURITIES NO. 4 LIMITED

Report and Financial Statements

30 September 2005



REPORT AND FINANCIAL STATEMENTS 2005

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REPORT AND FINANCIAL STATEMENTS 2005

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

W Colvin, CA	Executive Director
J Murphy	Executive Director
C Rutter	Executive Director
P H Scott	Executive Director
G K Sizer	Executive Director

SECRETARY

S Kaul

REGISTERED OFFICE

Block A, Upper Ground Floor,
Dukes Court,
Duke Street,
Woking, Surrey, GU21 5BH

BANKERS

Barclays Bank Plc
South East Corporate Banking Centre
P.O. Box 112
Horsham
West Sussex, RH12 1YQ

Bank of Scotland Plc
First Floor
8 Lochside Avenue
Edinburgh Park
Edinburgh, EH12 9DJ

SOLICITORS

Eversheds
Holland Court
The Close
Norwich NR1 4DX

AUDITORS

Deloitte & Touche LLP
London

DIRECTORS' REPORT (continued)

The Directors have pleasure in presenting their annual report and the audited financial statements for the year ended 30 September 2005.

PRINCIPAL ACTIVITY

The principal activity of the Company is the holding of a 50.01 per cent interest in the LLNHP Partnership. The Company is one of the two partners in the LLNHP Partnership.

The principal activity of the LLNHP Partnership was the holding of freehold interests in modern purpose-built care homes, which were leased back to care home operators. The LLNHP Partnership is currently dormant and no further trading is proposed.

BUSINESS REVIEW

On 18 February 2005, TBG CareCo Limited acquired 100% issued share capital of NHP Limited (formerly 'NHP Plc'). At 30 September 2005, the ultimate parent company of TBG CareCo Ltd is TBG CareCo Holdings Ltd.

TBG CareCo Offshore SuperHoldCo Ltd became the ultimate parent company on 14 October 2005.

No profit and loss account has been presented, as the Company has not traded in the current and previous years. The Directors do not expect the Company to trade in the foreseeable future.

DIVIDENDS

No dividends in respect of the year are proposed (2004: £ nil).

DIRECTORS

The following Directors served throughout the year except as noted:

		<u>Date Appointed</u>	<u>Date Resigned</u>
R N Midmer	Executive Director	13 February 2001	25 February 2005
J P Baratta	Executive Director	25 February 2005	5 April 2005
D S Blitzler	Executive Director	25 February 2005	5 April 2005
C R Pike	Executive Director	25 February 2005	5 April 2005
J Murphy	Executive Director	5 April 2005	-
C Rutter	Executive Director	5 April 2005	-
P H Scott	Executive Director	5 April 2005	-
G K Sizer	Executive Director	5 April 2005	-
W Colvin	Executive Director	1 June 2005	-

In addition to the above, W Colvin served an additional period from 7 September 2000 to 25 February 2005.

The current Directors of the Company are detailed on page 1. No Director has, or had, any interests in the shares of the Company. No Director holds a service contract with the Company and there is no Company share option scheme in existence.

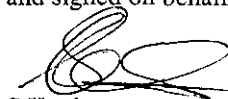
The Directors' interests in the shares and share options of the ultimate parent company, TBG CareCo Holdings Limited, are disclosed in the accounts of that company. There are no other disclosable interests in the shares of any other group company.

AUDITORS

Deloitte & Touche LLP was re-appointed as auditors at the last Annual General Meeting held on 24 February 2005. They resigned subsequently on 4 April 2005. PriceWaterhouseCoopers LLP was appointed as auditors on 5 April 2005 and resigned on 26 September 2005.

Deloitte & Touche LLP was subsequently re-appointed as auditors and they have expressed their willingness to continue in office as auditors and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



S Kaul
Secretary

27 January 2006

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom 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 Group as at the end of the financial year and of the profit or loss of the Group for that period. 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 of the Group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NHP SECURITIES NO. 4 LIMITED

We have audited the financial statements of NHP Securities No. 4 Limited for the year ended 30 September 2005, which comprise the balance sheets and the related notes 1 to 9. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the Company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the Company and other members of the group is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the Company and the Group, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's and the Group's affairs as at 30 September 2005 and of the result of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Deloitte & Touche LLP

Chartered Accountants and Registered Auditors

London

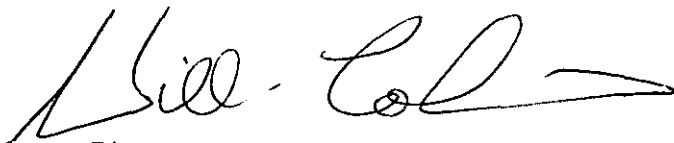
27 January 2006

CONSOLIDATED BALANCE SHEET
30 September 2005

	Notes	2005 £	2004 £
CURRENT ASSETS			
Cash at bank and in hand		1,002	1,002
NET CURRENT ASSETS			
		1,002	1,002
TOTAL ASSETS LESS CURRENT LIABILITIES			
		1,002	1,002
Equity minority interest	3	(499)	(499)
NET ASSETS			
		503	503
CAPITAL AND RESERVES			
Called up share capital	4	2	2
Profit and loss account	5	501	501
EQUITY SHAREHOLDERS' FUNDS			
		503	503

These financial statements were approved, by the Board of Directors, on 27 January 2006.

Signed on behalf of the Board of Directors



Director

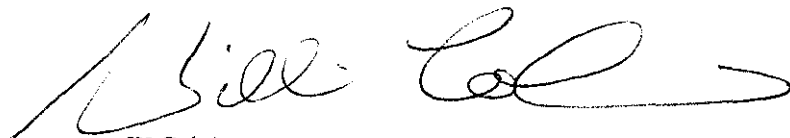
W Colvin

COMPANY BALANCE SHEET
30 September 2005

	Notes	2005 £	2004 £
CURRENT ASSETS			
Cash at bank and in hand		2	2
NET CURRENT ASSETS		2	2
NET ASSETS		2	2
CAPITAL AND RESERVES			
Called up share capital	4	2	2
Profit and loss account	5	-	-
EQUITY SHAREHOLDERS' FUNDS		2	2

These financial statements were approved by the Board of Directors on 27 January 2006.

Signed on behalf of the Board of Directors



W Colvin
 Director

NOTES TO THE ACCOUNTS
Year ended 30 September 2005

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with all applicable United Kingdom accounting standards. The particular accounting policies adopted are described below. The financial statements are in compliance with the Companies Act 1985.

The Group did not trade during the current year and prior year and incurred no expenses and accordingly no profit and loss account is submitted. The Company and the Group had no employees during the year or preceding year. The audit fee of the Company and the Group has been borne by another Group company in the current and preceding year.

The accounting policies have been followed consistently during the current and previous years.

Basis of consolidation

The financial statements consolidate the financial statements of the Company and those of the LLNHP Partnership (the "Partnership"). The Partnership has taken advantage of the qualifying partnerships exemption under regulation 7 of the Partnerships and Unlimited Companies (Accounts) Regulations 1993.

2. INVESTMENTS

The Company has a 50.01% holding in the LLNHP Partnership, which is dormant. The original investment, representing a capital contribution, has been fully repaid and hence is carried at £ nil (2004: £ nil). Any future profits of the Partnership will continue to be shared between the partners in accordance with the provisions of the Partnership Deed dated 27 October 1997.

3. EQUITY MINORITY INTEREST

Equity minority interest represents LLNH Limited's 49.99% holding in the LLNHP Partnership.

4. CALLED UP SHARE CAPITAL

Group and Company	2005	2004
	£	£
Authorised:		
100 ordinary shares at £1 each	100	100
	<u> </u>	<u> </u>
Called up, allotted and fully paid:		
2 ordinary shares at £1 each	2	2
	<u> </u>	<u> </u>

5. RESERVES

	Profit and loss account
	£
Group	
At 1 October 2004 and 30 September 2005	501
	<u> </u>
Company	
At 1 October 2004 and 30 September 2005	-
	<u> </u>

6. RELATED PARTY TRANSACTIONS

In accordance with Financial Reporting Standard No. 8 "Related Party Disclosures", transactions with other undertakings within the TBG CareCo Holdings Ltd Group (formerly within the NHP Plc Group) have not been disclosed in these financial statements.

NOTES TO THE ACCOUNTS
Year ended 30 September 2005

7. GUARANTEE

- (a) At 30 September 2005, the Company was one of the guarantors to a £232m facility agreement dated 29 November 2004 (as amended on 29 September 2005), entered into by TBG CareCo Limited, a group undertaking ('the borrower') with Barclays Bank Plc and Citibank N.A. London (collectively 'the lenders'). The lenders had a fixed and floating charge over the assets of the Company. This guarantee and facility was replaced upon entering into the new facility and guarantee set out in note (b) below.
- (b) The Company is one of the guarantors to a new £327m facility agreement dated 17 October 2005, entered into by the Company's group undertakings, namely TBG CareCo Limited, TBG CareCo CH2 PropCo Limited and TBG CareCo CH3 PropCo Limited (collectively 'the borrowers') with Barclays Bank Plc, Citibank N.A. London, Prudential Finance (UK) Plc and The Royal Bank of Scotland Plc (collectively 'the lenders'). The lenders have a fixed and floating charge over the assets of the Company.

8. POST BALANCE SHEET EVENTS

- (a) On 14 October 2005, TBG CareCo Offshore Superholdco Ltd, incorporated in the Cayman Islands on 13 October 2005, became the new ultimate parent company of the Company.
- (b) The Company is one of the guarantors to a new £327m facility agreement dated 17 October 2005, referred to in note 7 (b) of the financial statements.

9. PARENT UNDERTAKINGS AND CONTROLLING PARTIES

The immediate parent undertaking is NHP Limited, a company incorporated in Great Britain and registered in England and Wales. The ultimate parent undertaking at 30 September 2005 is TBG CareCo Holdings Limited, a company incorporated in Great Britain and registered in England and Wales. The shares in TBG CareCo Holdings Limited were held by funds administered by The Blackstone Group. As of 14 October 2005, the new ultimate and parent undertaking is TBG CareCo Offshore Superholdco Limited, a company incorporated and registered in the Cayman Islands. The shares in TBG CareCo Offshore Superholdco Limited are held by funds administered by The Blackstone Group. In the opinion of the Directors, there is no ultimate controlling party.

Copies of the TBG CareCo Holdings Limited group consolidated financial statements to 30 September 2005, which include the results of the Company, are available from the Company Secretary, Block A, Upper Ground Floor, Dukes Court, Duke Street, Woking, Surrey, GU21 5BH.