

**RETIREMENT SECURITY LIMITED
AND ITS SUBSIDIARIES
Company Number: 01612921
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002**



RETIREMENT SECURITY LIMITED
AND ITS SUBSIDIARIES

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002

INDEX

(a)	Chairman's Statement
1 - 2	Directors' Report
3	Auditors' Report
4	Consolidated Profit and Loss Account Statement of Total Recognised Gains and Losses
5	Balance Sheets - Group and Company
6 - 13	Notes to the Financial Statements

- (a) -

RETIREMENT SECURITY LIMITED
AND ITS SUBSIDIARIES

Chairman's Statement

It is a great pleasure to be able to report a profit of £178,349, after so many lean years, which enables the Directors to recommend a dividend of £0.06 per Ordinary Share. I trust this will be seen as justification of the faith of all those people who have invested in the Company, particularly the Leaseholders at the various developments, for which Retirement Security Limited is responsible for the management.

I also trust that these results will be seen as confirmation that Very Sheltered Housing is a sound business concept upon which we can build in the future.

There are many people who have contributed to this success; the staff of Retirement Security Limited, the Leaseholders, and the staff of the Owners' Companies, but I would like to pay special tribute to the non-Executive Directors of the Company who, for a very modest reward, have made a contribution which would be the envy of many a Public Company.

We look forward to building on this success in future years.

R BESSELL
Chairman

RETIREMENT SECURITY LIMITED
AND ITS SUBSIDIARIES
DIRECTORS' REPORT

The Directors present their report and the audited financial statements for the year ended 31st May 2002.

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 of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- 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 BUSINESS

The Group's principal business is the development, sale and subsequent management of 'Very Sheltered Housing'.

RESULTS AND DIVIDENDS

The Group made a profit before tax for the year of £178,349 (2001: Profit £6,921). This reflects the results arising from development consultancy fees together with the management fees and subsequent transfer premiums arising from the completed developments.

No interim dividend was paid during the year. The Directors recommend a final dividend of £0.06 per Ordinary Share (2001: NIL).

FUTURE DEVELOPMENTS

For the time being it is expected that the Group will continue to focus on consultancy and management supervision, however, as finances improve there may be opportunities to consider participation in further development.

The concept of Very Sheltered Housing still has much to offer the welfare of frail elderly people. The established developments and the lessons we have learnt, and are learning, in design and management place us in a unique position in this sector to still be a major influence in the market.

DIRECTORS

The Directors of the Company who served during the year to 31st May 2002 were as follows:

R Bessell	- Chairman
Mrs I Bulman	- Deputy Chairman (Resigned 16 th January 2002)
T P Duckmanton	- Executive
I C McAllester	- Non-executive
M J Heap	- Executive
R J Wakeford	- Non-executive (Appointed 28 September 2001)
J Bullock	- Non-executive (Appointed 16 th January 2002)
Mrs P Birtles	- Non-executive (Appointed 16 th January 2002)
M Van der Veen	- Non-executive (Appointed 16 th January 2002)
Mrs M Parkinson	- Non-executive (Appointed 16 th January 2002)

The Directors retiring by rotation are R Bessell, T P Duckmanton and M Heap.

RETIREMENT SECURITY LIMITED
AND ITS SUBSIDIARIES
DIRECTORS' REPORT

R Bessell, as Managing Director of the Company has a service agreement from 13th September 1988 as amended by a Deed of Variation dated 23rd December 1994 for a period up to 7th April 2000 and thereafter subject to six months notice on either side.

DIRECTORS' INTEREST IN SHARES

The Directors in office on 31st May 2002 had the following beneficial and non-beneficial interests in the 10p Ordinary Shares of the Company:

	<u>Number of Ordinary Shares</u>			
	<u>31st May 2002</u>		<u>31st May 2001</u>	
	<u>Beneficial</u>	<u>Non-beneficial</u>	<u>Beneficial</u>	<u>Non-beneficial</u>
R Bessell	448,248	35,068	55,178	32,068
T P Duckmanton	56,249	-	6,249	-
I C McAllester	20,333	14,885	28,292	19,385
Mrs I Bulman (Resigned 16 th January 2002)	8,770	8,770	8,770	8,770
M J Heap	50,000	-	-	-
Mrs P Birtles	2,000	-	-	-
Mrs M Parkinson	1,000	-	-	-
M Van der Veen	1,100	-	-	-

R J Wakeford, a Director of the Company, is both a Director and Shareholder of Bosworth & Wakeford Limited, who held 359,446 Ordinary Shares in Retirement Security Limited at the year end.

Directors' share options

Under the provisions of the share option agreements options were granted to the following directors:

R Bessell	250,000	(Refer Note 16(i))
	150,000	(Refer Note 16(ii))
T P Duckmanton	50,000	(Refer Note 16(i))
M J Heap	50,000	(Refer Note 16(iii))

All of the above options were exercised on 7th September 2001 at 50p per Ordinary Share.

FIXED ASSETS

Details of the movements in fixed assets during the year are shown in Note 9 to the financial statements.

AUDITORS

In accordance with Section 385 of the Companies Act 1985 a resolution confirming the appointment of Cooper Adams, as auditors to the Company will be put to the Annual General Meeting.

By Order of the Board

C.E. White

MRS C E WHITE

Secretary

RETIREMENT SECURITY LIMITED
AND ITS SUBSIDIARIES

REPORT OF THE INDEPENDENT AUDITORS

TO THE SHAREHOLDERS OF RETIREMENT SECURITY LIMITED

We have audited the financial statements of Retirement Security Limited for the year ended 31st May 2002 on pages four to thirteen. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (Effective March 2000), under the historical cost convention and the accounting policies set out on page six.

Respective responsibilities of directors and auditors

As described on page one the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom 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 to you if, in our opinion, the Report of the Directors 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 or group is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

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 company's circumstances, 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 affairs of the Company and the Group as at 31st May 2002 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Cooper Adams

12 Payton Street

Stratford upon Avon

17th September 2002

COOPER ADAMS

Chartered Accountants

RETIREMENT SECURITY LIMITED
AND ITS SUBSIDIARIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MAY 2002

	<u>Notes</u>	<u>2002</u>	<u>2001</u>
TURNOVER	2	956,194	739,260
Cost of sales		31,096	29,677
GROSS PROFIT		925,098	709,583
Operating expenses		753,195	700,121
OPERATING PROFIT	3	171,903	9,462
Interest receivable	5	9,736	3,199
Interest payable	6	3,290	5,740
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		178,349	6,921
Tax on profit on ordinary activities	7	-	-
PROFIT FOR THE FINANCIAL YEAR		178,349	6,921
Dividend	8	114,166	-
RETAINED PROFIT TRANSFERRED TO RESERVES	17	64,183	6,921

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

The Group has no recognised gains or losses other than the profit for the year ended 31st May 2001 and the profit for the year ended 31st May 2002.

The notes on pages 6 to 13 form an integral part of these financial statements.

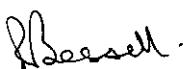
RETIREMENT SECURITY LIMITED
AND ITS SUBSIDIARIES
BALANCE SHEETS AT 31ST MAY 2002

		<u>Group</u>		<u>Company</u>	
	<u>Notes</u>	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
FIXED ASSETS					
Tangible assets	9	48,347	79,747	48,347	79,747
Investments	11	-	-	200	200
		48,347	79,747	48,547	79,947
CURRENT ASSETS					
Debtors	12	247,734	134,487	266,891	140,913
Cash at bank and in hand		364,591	18,730	364,353	18,664
		612,325	153,217	631,244	159,577
CREDITORS:					
Amounts falling due within one year	13	211,053	93,667	236,110	117,724
NET CURRENT ASSETS		401,272	59,550	395,134	41,853
TOTAL ASSETS LESS CURRENT LIABILITIES		449,619	139,297	443,681	121,800
CREDITORS:					
Amounts falling due after more than one year	14	-	3,861	-	3,861
		449,619	135,436	443,681	117,939
CAPITAL AND RESERVES					
Called-up share capital	16	239,631	189,631	239,631	189,631
Share premium account	19	200,000	-	200,000	-
Reserves	17	9,988	(54,195)	4,050	(71,692)
Shareholders' funds	18	449,619	135,436	443,681	117,939

These financial statements 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 March 2000).

Approved by the Board of Directors on 17th September 2002 and signed on its behalf.

T Duckmanton 

R Bessell 

Directors

The notes on pages 6 to 13 form an integral part of these financial statements.

RETIREMENT SECURITY LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002

1 ACCOUNTING POLICIES

a) 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 March 2000).

b) Basis of consolidation

The Group accounts incorporate the accounts of Retirement Security Limited and its subsidiaries to 31st May 2002.

c) Tangible fixed assets

Tangible fixed assets owned or held under hire purchase agreements are stated at cost less accumulated depreciation. Depreciation is calculated to write off the cost, less the estimated residual value of tangible fixed assets in equal annual instalments over their estimated useful lives at the following rates:

Leasehold properties:	Over the period of the lease
Fixtures and fittings:	15% per annum
Motor vehicles:	25% per annum

d) Deferred taxation

Provision is made for deferred taxation, using the liability method, only where it is considered that this liability may become payable in the foreseeable future. Advance Corporation Tax paid is either deducted from Corporation Tax liabilities, where set off is expected to be available in the next twelve months, or it is deducted from available deferred taxation for carry forward.

2 TURNOVER

Turnover mainly represents the income receivable in respect of development consultancy fees, management fees and transfer premiums on resold properties

3 OPERATING PROFIT

	<u>2002</u>	<u>2001</u>
Operating profit is stated after charging/(crediting):		
Auditors' remuneration	6,090	5,800
Hire of assets - operating leases	3,989	3,177
Depreciation	25,005	27,624
Directors' remuneration	193,511	184,473
Consultancy fees from developments	(105,017)	(37,189)
Management fees	(317,820)	(307,892)
Transfer premiums	(531,981)	(392,628)
Rents receivable	(1,376)	(1,551)
Loss on disposal of fixed assets	3,536	31
	<u> </u>	<u> </u>

RETIREMENT SECURITY LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002

4 DIRECTORS' EMOLUMENTS AND STAFF COSTS **2002** **2001**

Directors' emoluments, excluding pension scheme contributions, were as follows:

The Chairman and highest paid director 69,097 62,572

Number **Number**

Other Directors:

£0 - £4,999	6	-	
£5,000 - £10,000	-	2	
£45,000 - £50,000	1	1	
£50,000 - £55,000	1	1	

The details of directors' salaries and other remuneration are as follows:-

	Salary/ Fee	Bonus	Benefits	Total	Pension Scheme Contributions	Total including Pension Scheme Contributions
R Bessell	56,965	6,496	5,636	69,097	5,696	74,793
T P Duckmanton	42,516	1,488	4,397	48,401	4,252	52,653
M J Heap	46,967	1,644	2,446	51,057	4,697	55,754
Mrs I C Bulman (Resigned 16.1.2002)	3,261	-	-	3,261	-	3,261
I C McAllester	4,018	-	-	4,018	-	4,018
J Bullock	758	-	-	758	-	758
M Van der Veen	758	-	-	758	-	758
Mrs M Parkinson	758	-	-	758	-	758
Mrs P Birtles	758	-	-	758	-	758
	<u>156,759</u>	<u>9,628</u>	<u>12,479</u>	<u>178,866</u>	<u>14,645</u>	<u>193,511</u>

2002 **2001**
Number **Number**

The average number of employees, including directors, during the year

17 17

The aggregate payroll costs of these persons were as follows:

Salaries	349,341	372,758	
Social security costs	33,159	36,850	
Other pension costs	29,683	26,632	
	<u>412,183</u>	<u>436,240</u>	

The Company operates a defined contribution pension scheme. The charge shown above represents the Company's contributions payable to the pension scheme in respect of the financial year.

RETIREMENT SECURITY LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002

5	INTEREST RECEIVABLE	<u>2002</u>	<u>2001</u>
	Bank interest receivable	9,723	3,191
	Income from listed investments	13	8
		<u>9,736</u>	<u>3,199</u>
6	INTEREST PAYABLE		
	Interest payable on hire purchase agreements repayable within five years by instalments	3,276	5,740
	Bank overdraft	14	-
		<u>3,290</u>	<u>5,740</u>
7	TAX ON PROFIT ON ORDINARY ACTIVITIES		
	U K Corporation Tax	-	-
		<u>-</u>	<u>-</u>
8	DIVIDEND		
	Proposed dividend of £0.06 per Ordinary Share (2001: £Nil)	<u>114,166</u>	<u>-</u>

RETIREMENT SECURITY LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002

9 TANGIBLE FIXED ASSETS

	<u>Group and Company</u>			
	<u>Leasehold property</u>	<u>Fixtures and fittings</u>	<u>Motor vehicles</u>	<u>Total</u>
<u>Cost</u>				
At 1st June 2001	11,620	61,549	130,615	203,784
Additions	-	3,989	-	3,989
Disposals	(4,120)	(1,666)	(17,640)	(23,426)
At 31st May 2002	<u>7,500</u>	<u>63,872</u>	<u>112,975</u>	<u>184,347</u>
<u>Depreciation</u>				
At 1st June 2001	9,934	36,784	77,319	124,037
Disposals	(4,119)	(1,279)	(7,644)	(13,042)
Charge for year	430	6,300	18,275	25,005
At 31st May 2002	<u>6,245</u>	<u>41,805</u>	<u>87,950</u>	<u>136,000</u>
<u>Net book value</u>				
At 31st May 2002	<u>1,255</u>	<u>22,067</u>	<u>25,025</u>	<u>48,347</u>
At 31st May 2001	<u>1,686</u>	<u>24,765</u>	<u>53,296</u>	<u>79,747</u>

Included in the net book value of motor vehicles is £8,993 (2001: £49,018) in respect of assets held under hire purchase agreements. Depreciation charged on these assets during the year was £3,600 (2001: £12,383).

10 OBLIGATIONS UNDER OPERATING LEASES

	<u>2002</u>		<u>2001</u>	
	<u>Group and Company</u>		<u>Group and Company</u>	
	<u>Land and Buildings</u>	<u>Equipment</u>	<u>Land and Buildings</u>	<u>Equipment</u>
Annual commitment under operating leases which expire:				
Within one year	-	-	3,750	-
In the second to fifth year inclusive	13,750	2,832	13,750	2,616
After five years	5,500	-	5,500	616
	<u>19,250</u>	<u>2,832</u>	<u>23,000</u>	<u>3,232</u>

The Company is actively seeking to terminate its commitment in respect of those outstanding leases where the property is no longer occupied or used for the benefit of the Company.

RETIREMENT SECURITY LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002

11 INVESTMENTS

	<u>Group</u>		<u>Company</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Investment in subsidiaries	-	-	200	200

Shares in subsidiary companies at cost

The Company owns 100% of the issued share capital of Retirement Security (Milton Keynes) Limited and Retirement Security (Reading) Limited. Both companies are incorporated and operate in the United Kingdom and their principal activity is the development of 'Very Sheltered Housing'.

12 DEBTORS

	<u>Group</u>		<u>Company</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Trade debtors	47,000	74,664	47,000	74,664
Amount due from subsidiary companies*	-	-	19,165	6,434
Other debtors	121,063	42,207	121,055	42,199
Prepayments and accrued income	79,289	17,234	79,289	17,234
Listed investments – short term investment**	382	382	382	382
	<u>247,734</u>	<u>134,487</u>	<u>266,891</u>	<u>140,913</u>

* The Company has agreed that repayment of the amounts due from subsidiary companies be postponed for an indefinite period. It is therefore probable that repayment will take place after more than one year.

** The market value of listed investments at 31st May 2002 was £439 (2001: £359).

13 CREDITORS

Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Trade creditors	14,137	6,065	14,136	6,065
Corporation Tax	-	-	-	-
Dividend payable	114,166	-	114,166	-
Other taxes and social security	12,226	9,781	12,226	9,781
Accruals and deferred income	67,955	62,988	67,955	63,188
Amount due to subsidiary companies	-	-	25,058	23,857
Hire purchase agreements	2,569	14,833	2,569	14,833
	<u>211,053</u>	<u>93,667</u>	<u>236,110</u>	<u>117,724</u>

RETIREMENT SECURITY LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002

14 CREDITORS

Amounts falling due after more than one year

	<u>Group</u>		<u>Company</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Hire purchase	-	3,861	-	3,861
	<u>-</u>	<u>3,861</u>	<u>-</u>	<u>3,861</u>
Between two and five years	-	3,861	-	3,861
	<u>-</u>	<u>3,861</u>	<u>-</u>	<u>3,861</u>

15 DEFERRED TAXATION

No provision is considered necessary at 31st May 2002 in view of unrelieved losses carried forward.

16 CALLED-UP SHARE CAPITAL

	<u>2002</u>	<u>2001</u>
Authorised:		
2,346,463 Ordinary Shares of 10p each	234,646	234,646
493,537 Convertible Preference Shares of 10p each	49,354	49,354
	<u>284,000</u>	<u>284,000</u>
Allotted, called-up and fully paid:		
1,902,773 Ordinary Shares of 10p each	190,277	140,277
493,537 Convertible Preference Shares of 10p each	49,354	49,354
	<u>239,631</u>	<u>189,631</u>

Options

- i) Options for 300,000 10p Ordinary Shares were granted on 1st January 1995 and were exercised at 50p per Ordinary Share on 7th September 2001.
- ii) Options for 150,000 10p Ordinary Shares were granted on 31st May 2000 and were exercised at 50p per Ordinary Share on 7th September 2001.
- iii) Options for 50,000 10p Ordinary Shares were granted on 1st February 2001 and were exercised at 50p per Ordinary Share on 7th September 2001.

RETIREMENT SECURITY LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002

17 RESERVES

Amounts falling due after more than one year

	<u>Group</u>		<u>Company</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Special Reserve (i)	-	22,412	-	22,412
Profit and Loss Account (ii)	9,988	(76,607)	4,050	(94,104)
	<u>9,988</u>	<u>(54,195)</u>	<u>4,050</u>	<u>(71,692)</u>
(i) Special Reserve				
At 31st May 2001	22,412	22,412	22,412	22,412
Transfer to Profit and Loss Account (Note 17(ii))	(22,412)	-	(22,412)	-
	<u>-</u>	<u>22,412</u>	<u>-</u>	<u>22,412</u>
Balance at 31st May 2002	-	22,412	-	22,412

On 14 May 2002, the company obtained an order from the Court releasing it from the undertaking that had been given, in respect of a reduction of capital made on 6th April 1995.

The new order was based upon the company depositing the sum of £26,750 in a blocked account. This amount is for the protection of a creditor, in relation to costs of an office lease, to 25th April 2005.

The amount of £26,750 is included within the bank balances disclosed on the balance sheet, as on page 5.

	<u>Group</u>		<u>Company</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
(ii) Profit and Loss Account				
Accumulated losses at 31st May 2001	(76,607)	(83,528)	(94,104)	(109,294)
Transfer from Special Reserve (Note 17(i))	22,412	-	22,412	-
Retained profit for the year	<u>64,183</u>	<u>6,921</u>	<u>75,742</u>	<u>15,190</u>
Accumulated profits/(losses) at 31st May 2002	<u>9,988</u>	<u>(76,607)</u>	<u>4,050</u>	<u>(94,104)</u>

Retirement Security Limited has not presented its own Profit and Loss Account as permitted by Section 230 of the Companies Act 1985. The amount of the consolidated profit for the financial year dealt with in the accounts of the holding company was £75,742 (2001: Profit £15,190).

RETIREMENT SECURITY LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002

18 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	<u>Group</u>		<u>Company</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Profit attributable to members of the Company	64,183	6,921	75,742	15,190
Opening shareholders' funds	135,436	128,515	117,939	102,749
Issue of share capital	50,000	-	50,000	-
Share premium	200,000	-	200,000	-
Closing shareholders' funds	<u>449,619</u>	<u>135,436</u>	<u>443,681</u>	<u>117,939</u>
Represented by:				
Equity interests	449,619	135,436	443,681	117,939
Non-equity interests	-	-	-	-
	<u>449,619</u>	<u>135,436</u>	<u>443,681</u>	<u>117,939</u>

19 SHARE PREMIUM

	<u>Group</u>		<u>Company</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
The exercise of options on Ordinary Shares (Note 16)	200,000	-	200,000	-

20 RELATED PARTY TRANSACTIONS

During the year the company invoiced Retirement Security (Milton Keynes) Limited, its wholly owned subsidiary, £48,000 (2001 - £48,000) in respect of management charges. This amount was unpaid at the year end and is included within Amounts due to subsidiary companies in note 13, page 10.

During the year the company invoiced Retirement Security (Reading) Limited, its wholly owned subsidiary, £24,000 (2001 - £24,000) in respect of management charges. This amount was unpaid at the year end and is included within Amounts due from subsidiary companies in note 12, page 10.