

Company Registration No. 03326721 (England and Wales)

HATLEY INVESTMENTS RETAIL LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002



HATLEY INVESTMENTS RETAIL LIMITED

COMPANY INFORMATION

Directors	D A Hatley I P Hatley
Secretary	I P Hatley
Company number	03326721
Registered office	4a Gildredge Road Eastbourne East Sussex Great Britain BN21 4RL
Accountants	Graham Ralph & Co 4a Gildredge Road Eastbourne East Sussex Great Britain BN21 4RL
Business address	PO Box 2049 Hove East Sussex Great Britain BN3 2AZ
Bankers	National Westminster Bank plc 153 Preston Road Brighton East Sussex Great Britain BN1 6BE
Solicitors	Woolley Bevis & Diplock Lands End House, 15 Prince Albert Street Brighton East Sussex Great Britain BN1 1HY

HATLEY INVESTMENTS RETAIL LIMITED

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HATLEY INVESTMENTS RETAIL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2002

The directors present their report and financial statements for the year ended 30 June 2002.

Principal activities

The principal activity of the company continued to be that of the renting of properties to retail outlets.

Directors

The following directors have held office since 1 July 2001:

D A Hatley

I P Hatley

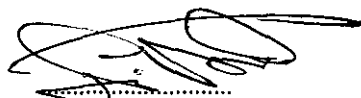
Directors' interests

The directors' interests in the shares of the company were as stated below:

	30 June 2002	Ordinary of £ 1 each 1 July 2001
D A Hatley	30	30
I P Hatley	30	30

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

On behalf of the board



I P Hatley

Director

12-12-2002

HATLEY INVESTMENTS RETAIL LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF HATLEY INVESTMENTS RETAIL LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 30 June 2002, set out on pages 3 to 8 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.

Graham Ralph & Co

Accountants

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4a Gildredge Road
Eastbourne
East Sussex
Great Britain
BN21 4RL

HATLEY INVESTMENTS RETAIL LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2002

	Notes	2002 £	2001 £
Turnover		72,757	69,461
Cost of sales		-	(2,771)
Gross profit		<u>72,758</u>	<u>66,690</u>
Administrative expenses		(33,405)	(6,286)
Operating profit	2	<u>39,353</u>	<u>60,404</u>
Other interest receivable and similar income		-	410
Interest payable and similar charges		(40,194)	(54,390)
(Loss)/profit on ordinary activities before taxation		<u>(841)</u>	<u>6,424</u>
Tax on (loss)/profit on ordinary activities	3	-	(124)
(Loss)/profit on ordinary activities after taxation	10	<u><u>(841)</u></u>	<u><u>6,300</u></u>

HATLEY INVESTMENTS RETAIL LIMITED

BALANCE SHEET AS AT 30 JUNE 2002

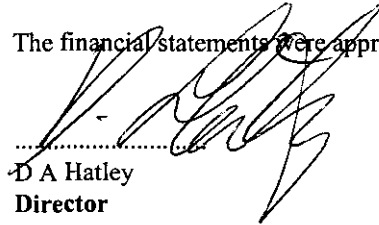
	Notes	2002 £	£	2001 £	£
Fixed assets					
Tangible assets	4		750,000		620,000
Current assets					
Stocks		88,076		88,076	
Debtors	5	52,724		84,106	
Cash at bank and in hand		14,025		14,608	
		<u>154,823</u>		<u>186,790</u>	
Creditors: amounts falling due within one year	6	<u>(63,677)</u>		<u>(82,145)</u>	
Net current assets			91,148		104,645
Total assets less current liabilities			<u>841,148</u>		<u>724,645</u>
Creditors: amounts falling due after more than one year	7		<u>(467,459)</u>		<u>(480,115)</u>
			<u>373,689</u>		<u>244,530</u>
Capital and reserves					
Called up share capital	9		90		90
Revaluation reserve	10		538,025		408,025
Profit and loss account	10		(164,426)		(163,585)
Shareholders' funds			<u>373,689</u>		<u>244,530</u>

In preparing these financial statements:

- The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- The directors acknowledge their responsibilities for:
 - ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - preparing accounts 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 financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

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).

The financial statements were approved by the Board on 12 - 12 - 2002


D A Hatley
Director

HATLEY INVESTMENTS RETAIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2 Turnover

Turnover represents total rents receivable, insurance and maintenance recharged during the year, net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	Not depreciated
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Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

2	Operating profit	2002	2001
		£	£
	Operating profit is stated after charging:		
	Profit on disposal of tangible asset	-	41,304
	Directors' emoluments	18,000	-
		<u> </u>	<u> </u>
3	Taxation	2002	2001
		£	£
	U.K. current year taxation		
	U.K. corporation tax at 0% (2001 - 10%)	-	124
		<u> </u>	<u> </u>

The company has estimated losses of £41,670 (2001 - £58,828) available for carry forward against future trading profits.

HATLEY INVESTMENTS RETAIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

4 Tangible fixed assets

	Land and buildings £
Cost or valuation	
At 1 July 2001	620,000
Revaluation	130,000
At 30 June 2002	750,000
Depreciation	
At 1 July 2001 & at 30 June 2002	-
Net book value	
At 30 June 2002	750,000
At 30 June 2001	620,000

Comparable historical cost for the land and buildings included at valuation:

	£
Cost	
At 1 July 2001 & at 30 June 2002	221,975
Depreciation based on cost	
At 1 July 2001	-
Charge for the year	-
At 30 June 2002	-
Net book value	
At 30 June 2002	221,975
At 30 June 2001	221,975

5 Debtors	2002 £	2001 £
Trade debtors	1,988	2,807
Other debtors	50,736	81,299
	52,724	84,106

HATLEY INVESTMENTS RETAIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

6	Creditors: amounts falling due within one year	2002	2001
		£	£
	Trade creditors	-	123
	Taxation and social security	-	124
	Other creditors	63,677	81,898
		<u>63,677</u>	<u>82,145</u>
7	Creditors: amounts falling due after more than one year	2002	2001
		£	£
	Other creditors	467,459	480,115
		<u>467,459</u>	<u>480,115</u>
	Analysis of loans		
	Not wholly repayable within five years by instalments	405,565	422,913
	Wholly repayable within five years	74,551	68,899
		<u>480,116</u>	<u>491,812</u>
	Included in current liabilities	(12,657)	(11,697)
		<u>467,459</u>	<u>480,115</u>
	Instalments not due within five years	<u>405,565</u>	<u>422,913</u>
8	Provisions for liabilities and charges		
	Deferred taxation provided in the financial statements and the amounts not provided are as follows:		
		Not provided	Provided
	2002	2001	2002
	£	£	£
	Other timing differences	158,408	119,408
		<u>158,408</u>	<u>119,408</u>
9	Share capital	2002	2001
		£	£
	Authorised		
	100,000 Ordinary of £ 1 each	100,000	100,000
		<u>100,000</u>	<u>100,000</u>
	Allotted, called up and fully paid		
	90 Ordinary of £ 1 each	90	90
		<u>90</u>	<u>90</u>

HATLEY INVESTMENTS RETAIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

10 Statement of movements on reserves

	Revaluation reserve £	Profit and loss account £
Balance at 1 July 2001	408,025	(163,585)
Retained loss for the year	-	(841)
Revaluation during the year	130,000	-
Balance at 30 June 2002	538,025	(164,426)

11 Contingent liabilities

Hatley Investment Medical Centres Limited, a company of which the directors are also directors and shareholders, has provided security by way of charges over its properties in order to secure the loan to the company.

12 Related party transactions

Included in other debtors (note 5) is an amount of £43,762 (2001: £79,202) due from Hatley Investments Limited and £5,000 (2001: £nil) due from Hatley Investments Medical Centres Limited. These amounts are interest free and fully recoverable.

Included in other creditors (note 6) is an amount of £17,043 (2001: £4,956) due to Valley Properties Limited.

During the year management fees of £10,538 were paid to Valley Properties Limited.