

HELP THE AGED (MAIL ORDER) LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH APRIL 1999

Registered Number: 893588



HAYS ALLAN
CHARTERED ACCOUNTANTS

HELP THE AGED (MAIL ORDER) LIMITED

• **REPORT AND FINANCIAL STATEMENTS**

YEAR ENDED 30TH APRIL 1999

CONTENTS	Pages
Administration	1
Directors' report	2 - 3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 9

HELP THE AGED (MAIL ORDER) LIMITED

• **REPORT AND FINANCIAL STATEMENTS**

YEAR ENDED 30TH APRIL 1999

DIRECTORS

C.M. Lake CBE

J.M. South

K.R. Hickey (Appointed 1st June 1999)

S.D. Burgess (Resigned 1st June 1999)

SECRETARY

K.R. Hickey

REGISTERED OFFICE

St. James's Walk,
London, EC1R 0BE.

BANKERS

Barclays Bank Plc

Pall Mall Corporate Banking Group

50 Pall Mall East

London SW1A 1QB

AUDITORS

Hays Allan

Chartered Accountants

Southampton House

317 High Holborn

London

WC1V 7NL

HELP THE AGED (MAIL ORDER) LIMITED

DIRECTORS' REPORT

YEAR ENDED 30TH APRIL 1999

The directors present their annual report together with the audited financial statements of the company for the year ended 30th April 1999.

REVIEW OF THE BUSINESS

The main activities of the Company include the sale of Personal Aid products and seasonal gifts by Mail Order catalogue and the supply of fuel and power.

The business shows a significant improvement on the previous year, and this year's performance has exceeded expectation. The overall income fell significantly, due to the decision to out-source catalogue sales in return for a commission payment based on performance.

The amount payable to Help the Aged under deed of covenant amounted to £122,223 (1998: £Nil) resulting in a loss for the year of £18,809 (1998: loss £85,771).

The directors do not propose the payment of a dividend.

YEAR 2000

We have reviewed the risks associated with all information technology systems in relation to the Year 2000 issue. Where problems have been identified, these have been, or will be, addressed.

Although it is not possible for any organisation to guarantee that no Year 2000 problems will remain, it is believed that all systems will be fully Year 2000 compliant by November 1999.

Preparation will require some additional costs to be incurred but this is not expected to be material.

DIRECTORS AND THEIR INTERESTS IN THE COMPANY

Directors of the company during the year were:

C.M. Lake CBE
K.R. Hickey (Appointed 1st June 1999)
J.M. South
S.D. Burgess (Resigned 1st June 1999)

None of the directors have any interest in the share capital of the company.

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 judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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.

HELP THE AGED (MAIL ORDER) LIMITED

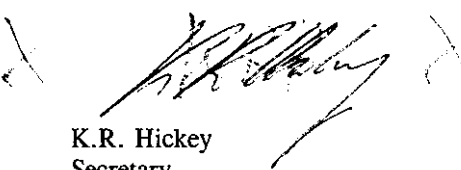
♦ **DIRECTORS' REPORT (continued)**

YEAR ENDED 30TH APRIL 1999

AUDITORS

The auditors Hays Allan have expressed their willingness to continue in office and offer themselves for re-election.

BY ORDER OF THE BOARD


K.R. Hickey
Secretary

22nd July 1999

AUDITORS' REPORT TO THE MEMBERS OF

• **HELP THE AGED (MAIL ORDER) LIMITED**

We have audited the financial statements on pages 5 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

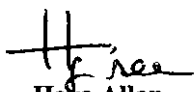
Basis of opinion

We conducted our audit in accordance with 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 company's affairs as at 30th April 1999 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Hays Allan
Chartered Accountants
Registered Auditors

Southampton House
317 High Holborn
London
WC1V 7NL

22nd July 1999

HELP THE AGED (MAIL ORDER) LIMITED**• PROFIT AND LOSS ACCOUNT****YEAR ENDED 30TH APRIL 1999**

	Note	1999	1998
		£	£
TURNOVER	2	677,184	1,998,095
Cost of sales		459,772	1,058,979
GROSS PROFIT		<u>217,412</u>	<u>939,116</u>
Distribution costs		125,746	993,744
Administration costs		110,475	172,090
		<u>236,221</u>	<u>1,165,834</u>
OPERATING LOSS	5	<u>(18,809)</u>	<u>(226,718)</u>
Other income	3	<u>122,223</u>	<u>140,947</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES		103,414	(85,771)
Deed of covenant payable		<u>122,223</u>	<u>-</u>
LOSS ON ORDINARY ACTIVITIES FOR THE YEAR		<u>(18,809)</u>	<u>(85,771)</u>
Taxation		-	-
RETAINED LOSS FOR THE YEAR		<u><u>£(18,809)</u></u>	<u><u>£(85,771)</u></u>

Turnover and operating loss are wholly derived from continuing activities.

All recognised gains and losses are included in the profit and loss account.

A separate movement of shareholders' funds statement is not provided as there are no changes for the current or previous year other than the retained loss in the profit and loss account.

HELP THE AGED (MAIL ORDER) LIMITED

BALANCE SHEET

AT 30TH APRIL 1999

	Note	1999	1998
		£	£
FIXED ASSETS			
Investments	6	120	120
CURRENT ASSETS			
Stock	7	32,344	83,410
Debtors: Amounts falling due within one year	8	93,378	124,813
Debtors: Amounts falling due after more than one year	8	194,415	594,415
Cash at bank, building societies and in hand		1,719,620	1,334,806
		<u>2,039,757</u>	<u>2,137,444</u>
CREDITORS: Amounts falling due within one year	9	<u>(356,166)</u>	<u>(286,234)</u>
NET CURRENT ASSETS		1,683,591	1,851,210
CREDITORS: Amounts falling due after more than one year	10	(2,154,553)	(2,303,363)
		<u>£(470,842)</u>	<u>£(452,033)</u>
CAPITAL AND RESERVES			
Called up share capital	11	67,100	67,100
Profit and loss account	12	(537,942)	(519,133)
Equity shareholders' funds		<u>£(470,842)</u>	<u>£(452,033)</u>

Approved on behalf of the board on 22nd July 1999.

C.M. Lake - Director

X M. Lake

K.R. Hickey - Director

X K.R. Hickey

HELP THE AGED (MAIL ORDER) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH APRIL 1999

1. ACCOUNTING POLICIES

a) Accounting basis

The financial statements have been prepared on the historical cost basis and in accordance with applicable accounting standards.

The financial statements have been prepared on a going concern basis assuming the continuing support of the parent undertaking.

b) Stock

Stock of finished goods has been valued at the lower of cost and net realisable value.

2. TURNOVER

	1999 £	1998 £
Sales of Christmas cards, commodities and novelties	528,643	1,847,161
Supply of fuel and power	148,541	150,934
	<u>£677,184</u>	<u>£1,998,095</u>

3. OTHER INCOME

Interest receivable	<u>£122,223</u>	<u>£140,947</u>
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4. STAFF NUMBERS AND COSTS

Other than the directors who received no emoluments, no staff are directly employed.

5. OPERATING LOSS

This is stated after charging:

Auditors' remuneration	<u>£2,350</u>	<u>£3,250</u>
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HELP THE AGED (MAIL ORDER) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30TH APRIL 1999

6. INVESTMENTS	1999 £	1998 £
Shares in subsidiary undertakings	£120	£120
	<u> </u>	<u> </u>
Subsidiary undertakings	Registered in	Percentage of share capital held
Charity Lotteries Limited	England and Wales	100%
Payroll Giving Limited	England and Wales	100%
Consolidated accounts have not been prepared for the above subsidiaries as the company is exempt under S228 of the Companies Act 1995 from preparing group accounts.		
7. STOCK	1999 £	1998 £
Goods for resale	£32,344	£83,410
	<u> </u>	<u> </u>
8. DEBTORS: Amounts falling due within one year		
Other debtors	76,479	73,988
Amount due from group undertaking	16,899	50,825
	<u>£93,378</u>	<u>£124,813</u>
DEBTORS: Amounts falling due after more than one year		
Amount due from group undertaking	£194,415	£594,415
	<u> </u>	<u> </u>
9. CREDITORS: Amounts falling due within one year		
Amount due under deed of covenant to group undertaking	94,112	-
Trade creditors	47,855	91,589
Amount due to group undertakings	3,218	15,479
Accruals and deferred income	164,581	166,403
VAT payable	18,289	12,763
Income tax payable	28,111	-
	<u>£356,166</u>	<u>£286,234</u>
	<u> </u>	<u> </u>

HELP THE AGED (MAIL ORDER) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 30TH APRIL 1999**

10.	CREDITORS: Amounts falling due after more than one year	1999 £	1998 £
	Accruals and deferred income	£2,154,553	£2,303,363
		<u> </u>	<u> </u>
11.	SHARE CAPITAL		
	Authorised, issued and fully paid: 67,100 £1 ordinary shares	£67,100	£67,100
		<u> </u>	<u> </u>
12.	PROFIT AND LOSS ACCOUNT		
	At 1st May 1998	(519,133)	(433,362)
	Loss for the year	(18,809)	(85,771)
		<u> </u>	<u> </u>
	At 30th April 1999	£(537,942)	£(519,133)
		<u> </u>	<u> </u>
13.	PARENT UNDERTAKING		

The parent undertaking is Help The Aged whose accounts are available to the public from Companies House Registration Office, Companies House, Crown Way, Cardiff CF4 3UZ.

HELP THE AGED (MAIL ORDER) LIMITED**DETAILED PROFIT AND LOSS ACCOUNT****YEAR ENDED 30TH APRIL 1999**

	1999		1998	
	£	£	£	£
Sales		677,184		1,998,095
Cost of Sales:				
Opening stock	83,410		153,493	
Purchases	408,706		988,896	
	<u>492,116</u>		<u>1,142,389</u>	
Closing stock	32,344		83,410	
		<u>459,772</u>		<u>1,058,979</u>
Gross Profit		<u>217,412</u>		<u>939,116</u>
Interest receivable		122,223		140,947
		<u>339,635</u>		<u>1,080,063</u>
Promotion and distribution expenses		125,746		993,744
Administration expenses:				
Occupancy	1,832		1,397	
Salaries	100,922		121,187	
Car and travel expenses	2,941		4,050	
Telephone	565		250	
Webb Ivory set up	-		19,659	
Miscellaneous	-		6,236	
Stationery	-		195	
		<u>106,260</u>		<u>152,974</u>
Financial expenses:				
Audit, accountancy and taxation	3,060		5,670	
Bank charges	1,155		11,559	
Legal and professional fees	-		1,887	
		<u>4,215</u>		<u>19,116</u>
		<u>103,414</u>		<u>(85,771)</u>
Deed of Covenant payable		122,223		-
Loss for the year		<u>£(18,809)</u>		<u>£(85,771)</u>

This page does not form part of the audited financial statements.