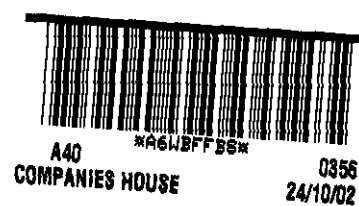


Help the Aged (Mail Order) Limited

Financial statements for the year ended 30 April 2002
together with directors' and auditors' reports

Registered number: 893588



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Directors and advisers

Directors

C.M. Lake CBE

K.R. Hickey

C. Cryne (resigned 6 September 2001)

S.D. Jones (appointed 6 September 2001)

A.E. Grahamslaw (appointed 17 December 2001)

Secretary

K.R. Hickey

Registered office

York House

207-221 Pentonville Road

London

NI 9UZ

Bankers

Barclays Bank Plc

Pall Mall Corporate Banking Group

50 Pall Mall,

PO Box 15162

London SW1A 1QB

Auditors

Deloitte & Touche

180 The Strand

London

WC2R 1BL

Directors' report

For the year ended 30 April 2002

The directors present their report on the affairs of the company, together with the financial statements and auditors' report, for the year ended 30 April 2002.

Principal activity and business review

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 Mail Order Catalogue continues to be produced in-house and internal resource has been developed to cater for the increasing demand, resulting in a downturn in profits over last year. It is hoped that current levels will be able to cope with anticipated business growth.

The Directors have decided to retain the profits for the year within the company and pay corporation tax. The profit after tax for the year is £78,303 compared to £94,133 in 2001.

The directors do not propose the payment of a dividend.

Directors and their interests

The directors who served during the year are shown below:

C.M. Lake CBE

K.R. Hickey

C. Cryne (resigned 6 September 2001)

S. D. Jones (appointed 6 September 2001)

A.E. Grahamslaw (appointed 17 December 2001)

None of the directors had any interests in the share capital of the company.

Auditors

The directors will place a resolution before the annual general meeting to reappoint Deloitte & Touche as auditors for the ensuing year.

By order of the Board,



K.R. Hickey

Secretary

1st August 2002

Statement of directors' responsibilities

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 these 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

Independent auditors' report

To the Shareholders of Help the Aged (Mail Order) Limited:

We have audited the financial statements of Help the Aged (Mail Order) Limited for the year ended 30 April 2002 which comprise the profit and loss account, the balance sheet, the statement of accounting policies and the related notes numbered 1 to 14. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities. 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 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 is not disclosed.

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

Basis of opinion

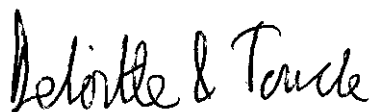
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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, 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.

Independent auditors' report (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 30 April 2002 and of the company's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche

Chartered Accountants and Registered Auditors

180 The Strand

London

WC2R 1BL

1st August 2002

Profit and loss account
For the year ended 30 April 2002

	Notes	2002 £	2001 £
Turnover	2	1,080,931	639,783
Cost of sales		(601,266)	(304,484)
Gross profit		479,665	335,299
Distribution costs		(243,562)	(159,240)
Administrative costs		(221,011)	(156,436)
Operating profit	5	15,092	19,623
Interest receivable	3	74,031	96,496
Profit on ordinary activities		89,123	116,119
Gift aid		-	-
Profit on ordinary activities before taxation		89,123	116,119
Tax on profit on ordinary activities	6	(10,820)	(21,986)
Retained profit for the year		78,303	94,133

Turnover and operating profits 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 profit in the profit and loss account.

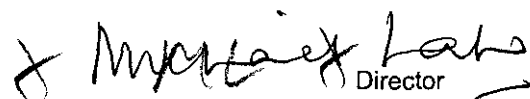
The accompanying notes are an integral part of this profit and loss account.

Balance sheet
As at 30 April 2002


	Notes	2002 £	2001 £
Fixed assets			
Investments	7	120	120
Current assets			
Stock	8	37,420	29,859
Debtors: amounts falling due within one year	9	93,800	188,400
Debtors: amounts falling due after more than one year	9	164,415	194,415
Cash at bank, building societies and in hand		1,437,314	1,354,800
		<u>1,732,949</u>	<u>1,767,474</u>
Creditors: amounts falling due within one year	10	(249,861)	(241,857)
Net current assets		<u>1,483,088</u>	<u>1,525,617</u>
Total assets less current liabilities		<u>1,483,088</u>	<u>1,525,737</u>
Creditors: amounts falling due after more than one year	11	(1,780,472)	(1,901,304)
Net liabilities		<u>(297,264)</u>	<u>(375,567)</u>
Capital and reserves			
Called-up share capital	12	67,100	67,100
Accumulated deficit	13	(364,364)	(442,667)
Equity shareholders' deficit		<u>(297,264)</u>	<u>(375,567)</u>

The financial statements on pages 5 to 11 were approved by the board of directors on 1st August 2002 and signed on its behalf by:

C.M. Lake CBE

 Director

K.R. Hickey

 Director

1st August 2002

The accompanying notes are an integral part of this balance sheet.

Notes to financial statements

30 April 2002

1 Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently during the year and the preceding year, is set out below.

a) Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

The company has three wholly owned subsidiaries and has taken advantage of the exemption from preparing consolidated financial statements afforded by section 228 of the Companies Act 1985 because it is a wholly owned subsidiary of Help the Aged which prepares consolidated financial statements which are publicly available. The company is also, on this basis exempt from the requirement of FRS1 (revised) "Cash flow statements" to present a cash flow statement.

The financial statements have been prepared on a going concern basis. In the opinion of the directors the income prepayment for fuel and power provides sufficient working capital over the foreseeable future.

b) Stock

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

2 Turnover

	2002 £	2001 £
Sale of Christmas cards, commodities and novelties	128,357	249,253
Sale of personal aids	833,889	238,975
Supply of fuel and power	118,685	151,555
	<u>1,080,931</u>	<u>639,783</u>

Turnover arose wholly from UK sales in both years.

3 Interest receivable

	2002 £	2001 £
Interest receivable from subsidiary	12,960	14,450
Interest receivable from short term deposits	61,071	82,046
	<u>74,031</u>	<u>96,496</u>

4 Staff costs

Other than the directors, who received no emoluments for their services to the company, no staff are directly employed. The remuneration of staff is borne by the parent company and disclosed in its financial statements.

Notes to financial statements (continued)

5 Operating profit

This is stated after charging:

	2002 £	2001 £
Auditors' remuneration	<u>2,600</u>	<u>2,500</u>

6 Taxation

	2002 £	2001 £
UK corporation tax	<u>10,820</u>	<u>21,986</u>

7 Investments

	2002 £	2001 £
Shares in subsidiary undertakings	<u>120</u>	<u>120</u>

Subsidiary undertakings	Country of registration	Percentage of share capital held
Charity Lotteries Limited	England and Wales	100%
Payroll Giving Limited	England and Wales	100%
Sharing the Caring Limited	England and Wales	100%

Consolidated financial statements have not been prepared for the above subsidiaries as the company is exempt under S228 of the Companies Act 1985 from preparing group financial statements.

8 Stock

	2002 £	2001 £
Goods for resale	<u>37,420</u>	<u>29,859</u>

There is no material difference between the balance sheet value of stocks and their replacement cost.

Notes to financial statements (continued)

9 Debtors

	2002 £	2001 £
Amounts falling due within one year		
Trade debtors	25,000	76,755
Other debtors	14,725	54,789
Social security and other taxes	12,105	10,207
Prepayments and accrued income	41,970	46,649
	<u>93,800</u>	<u>188,400</u>
	2002 £	2001 £
Amounts falling due after more than one year		
Amounts due from subsidiary undertaking	<u>164,415</u>	<u>194,415</u>

The amount due from the subsidiary undertaking is a loan to the company's subsidiary undertaking Payroll Giving Limited. The loan is repayable on demand but it is the intention of both parties that the loan should remain outstanding until such time as the company shall reasonably be able to repay the loan or until 30 March 2006, whichever is sooner. The loan bears interest at a variable interest rate.

10 Creditors: Amounts falling due within one year

	2002 £	2001 £
Trade creditors	24,236	1,163
Accruals and deferred income	155,381	187,744
Corporation tax	10,820	21,986
Amount owed to parent undertaking	59,294	30,834
Amount owed to fellow subsidiary undertaking	30	30
Amount owed to subsidiary undertaking	100	100
	<u>249,861</u>	<u>241,857</u>

Notes to financial statements (continued)

11 Creditors: amounts falling due after more than one year

	2002 £	2001 £
Accruals and deferred income	<u>1,780,472</u>	<u>1,901,304</u>

12 Share capital

	2002 £	2001 £
<i>Authorised, issued and fully paid</i>		
67,100 ordinary shares of £1 each	<u>67,100</u>	<u>67,100</u>

13 Accumulated deficit

	2002 £	2001 £
At 1 May 2001	(442,667)	(536,800)
Profit for the financial year	<u>78,303</u>	<u>94,133</u>
At 30 April 2002	<u>(364,364)</u>	<u>(442,667)</u>

14 Parent undertaking

The directors regard Help the Aged, a registered charity and company incorporated in England and Wales, as the ultimate parent company and ultimate controlling party. Help the Aged is the parent company of the largest and smallest group of which the company is a member and for which group financial statements are drawn up.

Copies of the financial statements are available to the public from Companies House Registration Office, Companies House, Crown Way, Cardiff CF4 3UZ.

As a subsidiary undertaking of Help the Aged, the company has taken advantage of the exemption in FRS 8 "Related party disclosures" from disclosing transactions with other members of the group headed by Help the Aged.