

HOME FOR LIFE LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 1999



AUDITORS' REPORT TO HOME FOR LIFE LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements set out on pages 2 to 5 together with the financial statements of Home for Life Limited for the year ended 30th June 1999 prepared under section 226 of the Companies Act 1985.

Respective Responsibilities of Directors and Auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of Opinion

We have carried out procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 5 are properly prepared in accordance with those provisions.



Michael Watts & Co
Chartered Certified Accountants
and Registered Auditors
1 Crayford Way
Crayford
Kent
DA1 4JY

20-01-2000

HOME FOR LIFE LIMITED

ABBREVIATED BALANCE SHEET

AS AT 30TH JUNE 1999

	Notes	1999 £	1998 £
Fixed Assets	2		
Tangible fixed assets		7,082	9,443
Fixed asset investments		1,375,277	524,792
		<u>1,382,359</u>	<u>534,235</u>
Current Assets			
Debtors		8,644,827	9,674,026
Cash at bank and in hand		2,658	536
		<u>8,647,485</u>	<u>9,674,562</u>
Creditors: Amounts Falling Due Within One Year		<u>2,820</u>	<u>2,847</u>
Net Current Assets		<u>8,644,665</u>	<u>9,671,715</u>
Total Assets Less Current Liabilities		<u>10,027,024</u>	<u>10,205,950</u>
Creditors: Amounts Falling Due After More Than One Year		<u>7,034,675</u>	<u>8,136,175</u>
		<u>2,992,349</u>	<u>2,069,775</u>
Capital and Reserves			
Share capital	3	11,050,000	11,050,000
Profit and loss account		(8,057,651)	(8,980,225)
Shareholders' Funds		<u>2,992,349</u>	<u>2,069,775</u>

The abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These financial statements were approved by the board on 13-1-00 and signed on its behalf.


Mr R A Green
Director

HOME FOR LIFE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 1999

1 Accounting Policies

Basis of Accounting

The Financial Statements have been prepared under the historical cost convention.

The company is exempt from the requirement to prepare group financial statements by virtue of section 248 of the Companies Act 1985. These accounts therefore present information about the company as an individual undertaking and not about its group.

Turnover

Turnover comprises income from management services provided to subsidiary companies.

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets by reducing balance method over their expected useful lives. The rates and periods generally applicable are:

Motor vehicles	25% per annum
Furniture and equipment	25% per annum

Investments

Investments are interests in subsidiary undertakings and are included at cost less amounts written off, where in the opinion of the Directors there has been a permanent diminution in value. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

2 Fixed Assets

	Tangible Fixed Assets	Fixed Asset Investments
	£	£
Cost		
At 1st July 1998	20,192	7,062,500
At 30th June 1999	20,192	7,062,500
Depreciation and Amortisation		
At 1st July 1998	10,749	6,537,708
Charge for the year	2,361	(850,485)
At 30th June 1999	13,110	5,687,223
Net Book Value		
At 30th June 1999	7,082	1,375,277
<i>At 30th June 1998</i>	<i>9,443</i>	<i>524,792</i>

HOME FOR LIFE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 1999

3	Share Capital	1999 £	1998 £
	Authorised		
	Equity Shares		
	3,600,000 Ordinary shares of £1.00 each	3,600,000	3,600,000
	Non Equity Shares		
	7,500,000 Preference shares of £1.00 each	7,500,000	7,500,000
		<u>11,100,000</u>	<u>11,100,000</u>
	Allotted		
	Equity Shares		
	3,550,000 Allotted, called up and fully paid ordinary shares of £1.00 each	3,550,000	3,550,000
	Non Equity Shares		
	7,500,000 Preference shares of £1.00 each	7,500,000	7,500,000
		<u>11,050,000</u>	<u>11,050,000</u>

It is proposed that the redemption date of the nil coupon redeemable preference shares of £1 each shall be extended from 30th June 2000 to 30th June 2005, redeemable at par. A special resolution is to be put to the holders of such shares.

4 Secured Creditors

On 9th April 1992, the Company and certain of its subsidiary undertakings (together "the Group") entered into a Guarantee and Debenture agreement ("the Agreement") with the Group's banker. Under the terms of the Agreement, all of the Group's assets have been charged to the Group's banker. Each company in the Group has undertaken to pay on demand any sums it may owe to the bank and has guaranteed the bank indebtedness of all of the other companies which are party to the agreement.

5 Subsidiary Undertakings

The company owns the whole of the issued share capital of the following subsidiary undertakings, all of which are registered in England and Wales.

Name of company	Net assets (liabilities) at 30th June 1998	Holding	Proportion of voting rights and shares held	Nature of business
Home for Life (Investments) Ltd	£1,218,315	Ordinary Shares Redeemable Preference Shares	100% 100%	Property trading
Home for Life (Housing) Ltd	£12,442	Ordinary Shares	100%	Property investment
Home for Life (Properties) Ltd	£144,520	Ordinary Shares Redeemable Preference Shares	100% 100%	Property trading