

Registration number 2849316

Urban Retreats Limited

Abbreviated accounts

for the year ended 30 June 2001



Urban Retreats Limited

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**Independent auditors' report to Urban Retreats Limited
under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 2 to 5 together with the financial statements of Urban Retreats Limited for the year ended 30 June 2001 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing abbreviated accounts 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 accounts prepared in accordance with Sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts 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 the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985 in respect of the year ended 30 June 2001, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



**Blevins Franks Limited
Chartered Accountants and and
Registered auditors**

25 July 2002

**Barbican House
26/34 Old Street
London
EC1V 9QQ**

Urban Retreats Limited

Abbreviated balance sheet as at 30 June 2001

		2001		2000	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	2		-		153,975
Current assets					
Debtors		266,484		801,597	
Cash at bank and in hand		1,601		1,185	
		<u>268,085</u>		<u>802,782</u>	
Creditors: amounts falling due within one year	3	(58,159)		(581,036)	
Net current assets			209,926		221,746
Net assets			<u>209,926</u>		<u>375,721</u>
Capital and reserves					
Called up share capital	4		350,000		350,000
Profit and loss account			(140,074)		25,721
Shareholders' funds	5		<u>209,926</u>		<u>375,721</u>
Equity interests			(139,974)		25,821
Non-equity interests			<u>349,900</u>		<u>349,900</u>

In preparing these abbreviated accounts we have relied on the exemptions for individual financial statements conferred by section Section A of Part 1 of the Companies Act 1985 on the grounds that the company is entitled to the benefit of those exemptions as a small sized company.

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies .

The abbreviated accounts were approved by the Board on 19 July 2002 and signed on its behalf by

G C Hammer
Director

The notes on pages 3 to 5 form an integral part of these financial statements.

Urban Retreats Limited

Notes to the abbreviated financial statements for the year ended 30 June 2001

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	- 15% reducing balance
Motor vehicles	- 25% reducing balance

1.4. Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

2. Fixed assets

	Tangible fixed assets £
Cost	
At 1 July 2000	196,232
Disposals	(196,232)
At 30 June 2001	-
Depreciation	
At 1 July 2000	42,257
On disposals	(48,418)
Charge for year	6,161
At 30 June 2001	-
Net book values	
At 30 June 2000	153,975

Urban Retreats Limited

Notes to the abbreviated financial statements for the year ended 30 June 2001

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3. Creditors: amounts falling due within one year	2001	2000
	£	£

Creditors include the following:

4. Share capital	2001	2000
	£	£
Authorised		
125,000 Ordinary shares of 1 each	125,000	125,000
375,000 5% Redeemable Cumulative Preference shares of 1 each	375,000	375,000
	<u>500,000</u>	<u>500,000</u>
Allotted, called up and fully paid		
100 Ordinary shares of 1 each	100	100
349,900 5% Redeemable Cumulative Preference shares of 1 each	349,900	349,900
	<u>350,000</u>	<u>350,000</u>

The preference shares are redeemable at par at any time from 30 June 2001 at the option of the company, subject to one month's notice in writing. No such notice had been issued at the date of signing the accounts. They carry no voting rights.

5. Reconciliation of movements in shareholders' funds	2001	2000
	£	£
Loss for the year	(165,795)	(2,439)
Preference dividend	(17,495)	(17,495)
	<u>(183,290)</u>	<u>(19,934)</u>
Preference dividend not paid	17,495	-
Net addition to/deduction from shareholders' funds	(165,795)	(19,934)
Opening shareholders' funds	375,721	395,655
Closing shareholders' funds	<u>209,926</u>	<u>375,721</u>

Urban Retreats Limited

Notes to the abbreviated financial statements for the year ended 30 June 2001

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6. Related party transactions

The company is a wholly owned subsidiary of Hammer Holdings Limited. Ultimate control is vested in Mr G C Hammer. The company entered into the following transactions with related parties:

	2001	2000
	£	£
Amounts owed to parent company	40,157	305,957
Amounts owed by fellow subsidiary undertaking	266,437	657,165
Management charges receivable from fellow subsidiary undertaking	-	90,000
Sales to fellow subsidiary undertaking	97,408	91,751
Purchases from fellow subsidiary undertaking	4,650	11,769

The fellow subsidiary undertakings are Luxe Ltd and Insalons Ltd. Hammer Holdings Limited is the parent company.