

**H & T PROPERTIES LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2002**

**Company Registration Number 556509**



**FELTONS**  
Chartered Accountants & Registered Auditors  
12 Sheet Street  
Windsor  
Berkshire  
SL4 1BG

# **H & T PROPERTIES LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2002**

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# **H & T PROPERTIES LIMITED**

## **THE DIRECTORS' REPORT**

**YEAR ENDED 31 MARCH 2002**

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The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2002.

### **PRINCIPAL ACTIVITIES**

The principal activity of the company during the year was property investment.

### **THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY**

The directors who served the company during the year were as follows:

C Hillier  
K Hillier  
R E Hillier  
R Hillier  
V E Hillier  
V K Thamman

K Hillier passed away on 13 June 2001.

### **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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 6, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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.

### **AUDITORS**

A resolution to re-appoint Feltons as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

### **SMALL COMPANY PROVISIONS**

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

Signed by order of the directors



V K THAMMAN  
Company Secretary

Approved by the directors on .....30-12-02.....

# **H & T PROPERTIES LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS**

**YEAR ENDED 31 MARCH 2002**

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We have audited the financial statements on pages 3 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention, as modified by the revaluation of certain fixed assets and the accounting policies set out on page 6.

### **RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE 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 on page 1.

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. Our responsibilities do not extend to any other information.

### **BASIS OF AUDIT 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 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 31 March 2002 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



FELTONS  
Chartered Accountants  
& Registered Auditors

12 Sheet Street  
Windsor  
Berkshire  
SL4 1BG

30 December 2002

# H & T PROPERTIES LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2002

	Note	2002 £	2001 (restated) £
<b>TURNOVER</b>		<b>887,031</b>	854,526
Administrative expenses		<b>591,820</b>	474,245
Other operating income	2	—	(14,373)
<b>OPERATING PROFIT</b>	3	<b>295,211</b>	394,654
Loss on disposal of investment properties		—	(43,833)
Provision for permanent diminution in value of investments		<b>(10,000)</b>	—
		<b>285,211</b>	350,821
Interest receivable		1,464	6,513
Interest payable		<b>(139,625)</b>	(199,697)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>147,050</b>	157,637
Tax on profit on ordinary activities		—	(41,047)
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		<b>147,050</b>	116,590
Original balance brought forward		<b>1,954,154</b>	1,870,064
Prior year adjustment	4	<b>32,500</b>	—
Restated balance brought forward		<b>1,986,654</b>	1,870,064
Balance carried forward		<b>2,133,704</b>	1,986,654

The notes on pages 6 to 9 form part of these financial statements.

# H & T PROPERTIES LIMITED

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

YEAR ENDED 31 MARCH 2002

	2002	2001 <i>(restated)</i>
	£	£
Profit for the financial year attributable to the shareholders	147,050	116,590
Total recognised gains and losses relating to the year	147,050	116,590
Prior year adjustment (see note 4)	32,500	
Total gains and losses recognised since the last annual report	179,550	

The notes on pages 6 to 9 form part of these financial statements.

# H & T PROPERTIES LIMITED

## BALANCE SHEET

YEAR ENDED 31 MARCH 2002

		2002		2001 (restated)	
	Note	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	5		8,703,136		8,705,722
Investments	6		30		10,030
			<u>8,703,166</u>		<u>8,715,752</u>
<b>CURRENT ASSETS</b>					
Debtors	7	285,651		386,365	
Cash at bank		176,528		78,049	
		<u>462,179</u>		<u>464,414</u>	
<b>CREDITORS: Amounts falling due within one year</b>	8	<u>671,974</u>		<u>596,996</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(209,795)</u>		<u>(132,582)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>8,493,371</u>		<u>8,583,170</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	9		<u>1,817,080</u>		<u>2,053,929</u>
			<u>6,676,291</u>		<u>6,529,241</u>
<b>CAPITAL AND RESERVES</b>					
Called-up equity share capital	12		11,000		11,000
Share premium account			9,000		9,000
Revaluation reserve			4,522,587		4,522,587
Profit and Loss Account			<u>2,133,704</u>		<u>1,986,654</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>6,676,291</u>		<u>6,529,241</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the directors on the 30-12-02 and are signed on their behalf by:



V K THAMMAN

# H & T PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2002

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### 1. ACCOUNTING POLICIES

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

#### Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

#### Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	-	2% per annum on valuation
Fixtures & Fittings	-	15% per annum reducing balance

#### Investment properties

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with the FRSSE which, unlike Schedule 4 to the Companies Act 1985, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

#### Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

#### Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

### 2. OTHER OPERATING INCOME

	2002	2001 (restated)
	£	£
Other operating income	—	14,373



# H & T PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2002

### 3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2002	2001 (restated)
	£	£
Depreciation	2,952	7,152
Profit on disposal of fixed assets	—	(32,500)
Auditors' fees	4,000	3,000

### 4. PRIOR YEAR ADJUSTMENT

The prior year adjustment represents a correction to the Freehold Property disposed of in the prior year. The original cost of the disposal was understated by £4,500 and the Accumulated Depreciation on the disposal was understated by £37,000 so understating profit on disposal. This gives a net prior year adjustment of £32,500. This comparative figures for the previous year have therefore been restated.

### 5. TANGIBLE FIXED ASSETS

	Freehold Property £	Fixtures & Fittings £	Investment property £	Total £
<b>COST OR VALUATION</b>				
At 1 April 2001	125,000	5,809	8,601,440	8,732,249
Additions	250	—	116	366
At 31 March 2002	125,250	5,809	8,601,556	8,732,615
<b>DEPRECIATION</b>				
At 1 April 2001	22,696	3,831	—	26,527
Charge for the year	2,304	648	—	2,952
At 31 March 2002	25,000	4,479	—	29,479
<b>NET BOOK VALUE</b>				
At 31 March 2002	100,250	1,330	8,601,556	8,703,136
At 31 March 2001	102,304	1,978	8,601,440	8,705,722

#### Revaluation of fixed assets

The Freehold and Investment properties were professionally valued last year by Vail Williams, chartered surveyors. The directors consider that the open market value remains unchanged this year.

# H & T PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2002

### 6. INVESTMENTS

	£	£	Shares in Group Undertakings £
<b>COST:</b>			
At 1 April 2001	10,000	30	10,030
Disposals	(10,000)	—	(10,000)
At 31 March 2002	—	30	30
<b>NET BOOK VALUE:</b>			
At 31 March 2002	—	30	30
At 31 March 2001	10,000	30	10,030

### 7. DEBTORS

	2002 £	2001 (restated) £
Trade debtors	37,201	56,041
Amounts owed by group undertakings	—	187,457
Other debtors	248,450	142,867
	<u>285,651</u>	<u>386,365</u>

### 8. CREDITORS: Amounts falling due within one year

	2002 £	2001 (restated) £
Bank loans and overdrafts	252,548	200,038
Corporation tax	7,608	41,047
Other taxation	35,408	—
Other creditors	376,410	355,911
	<u>671,974</u>	<u>596,996</u>

The bank loans and overdraft are secured by a fixed charge over the company's investment properties.

### 9. CREDITORS: Amounts falling due after more than one year

	2002 £	2001 (restated) £
Bank loans and overdrafts	<u>1,817,080</u>	<u>2,053,929</u>

The bank loans and overdraft are secured by a fixed charge over the company's investment properties.

# H & T PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2002

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### 10. CONTINGENCIES

The company has entered into unlimited cross-guarantees in respect of bank loans and overdraft with its fellow group companies.

### 11. RELATED PARTY TRANSACTIONS

The following charges were incurred by the company:

The company was charged management charges of £140,000, (2001: £120,000) by E Hillier & Son (Holdings) Limited, the ultimate parent company.

The company was charged £336,000, (2001: £259,100) by Hilliers Engineering Consultants, a partnership under the control of the Hillier family, for property management services.

The following amounts were owed to the company at 31st March 2002:

£11,414 was owed by E Hillier & Son (Holdings) Limited, a company as described above.

£164,336 was owed by Hilliers Engineering Consultants, a partnership as described above.

### 12. SHARE CAPITAL

Authorised share capital:

	2002	2001 (restated)
	£	£
11,000 Ordinary shares of £1 each	<u>11,000</u>	<u>11,000</u>

Allotted, called up and fully paid:

	2002	2001 (restated)
	£	£
Ordinary share capital	<u>11,000</u>	<u>11,000</u>

### 13. ULTIMATE PARENT COMPANY

The directors consider E Hillier & Son (Holdings) Limited, incorporated in England, as its' ultimate holding company.