

REGISTERED OF COMPANIES COPY

HARRISON OPERATIONS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 1994

Company No. 2203970



Whitmill Prescott & Co.  
Chartered Accountants  
PO Box 34  
Bishop's Stortford  
Herts.  
CM23 5SW



HARRISON OPERATIONS LIMITED

Incorporated on 7 December 1987 under the Companies Act 1985

DIRECTOR

Terence B. Harrison

**SECRETARY**

Helen Turner

REGISTERED OFFICE

209 Birchanger Lane, Birchanger,  
Bishop's Stortford, Herts. CM23 5SW

# NOTICE OF MEETING

NOTICE is hereby given that the Sixth Annual General Meeting of the Company will be held at The Orchard, Market Street, Charlbury, Oxon. on \_\_\_\_\_ at \_\_\_\_\_ for the following purposes:

1. To receive the Director's Report and the Financial Statements for the year ended 30 June 1994.
2. To re-appoint the Auditors and fix their remuneration.
3. To transact any other ordinary business of the Company.

By Order of the Board

Ala L

Secretary

3 September 1996

209 Birchanger Lane  
Birchanger  
Bishop's Stortford  
Herts.  
CM23 5SW

A member entitled to attend and vote is entitled to appoint a proxy (one or more) to attend and, on a poll, vote instead of him. A proxy need not be a member.



# HARRISON OPERATIONS LIMITED

## DIRECTOR'S REPORT

The Director submits herewith his Report and the Financial Statements for the year ended 30 June 1994.

### RESULTS FOR THE YEAR

	<u>£</u>
(Loss) before Taxation	(88,406)
Taxation	-
(Loss) after Taxation	<u>£(88,406)</u> =====

### DIVIDENDS

The Director recommends that no dividend be declared in respect of the year ended 30 June 1994.

### TRADING ACTIVITIES

The principal activity is that of Agents to Classical Musicians.

The Company also trades in the buying and selling of Antique Furniture.

### DIRECTOR

The Director who served during the period and his beneficial holding in the Share Capital was as follows:

	<u>£1 Ordinary Shares</u>
	<u>At 1 July 1993 and 30 June 1994</u>
T.B. Harrison, Esq.	199,999

### TAXATION

The Company is considered a "Close Company" for taxation purposes.

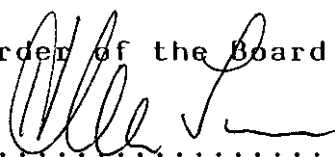
### FIXED ASSETS

Details of changes in the Fixed Assets are shown in notes forming part of the Financial Statements.

### AUDITORS

A resolution proposing the re-appointment of Whitmill Prescott & Co., Chartered Accountants, as Auditors to the Company, will be put to the Annual General Meeting.

By Order of the Board

  
.....

3 September 1996

Secretary



# HARRISON OPERATIONS LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 1994

	<u>Note</u>	<u>Year Ended</u> <u>30 June 1994</u>	<u>Year Ended</u> <u>30 June 1993</u>
		<u>£</u>	<u>£</u>
Turnover		207,997	202,641
Cost of Sales		(30,996)	(26,024)
Gross Profit		177,001	176,617
Administrative Expenses		(245,108)	(216,307)
Operating (Loss)		(68,107)	(39,690)
Interest Payable		(20,299)	(29,512)
Bank Interest Received		-	1
(Loss) on Ordinary Activities before Taxation		(88,406)	(69,201)
Taxation	IV	-	-
Retained (Loss) for the Year		£(88,406) =====	£(69,201) =====

The Company had no recognised gains or losses during the year ended 30 June 1994 other than through the Profit and Loss Account.

All the operations are continuing and there were no acquisitions.

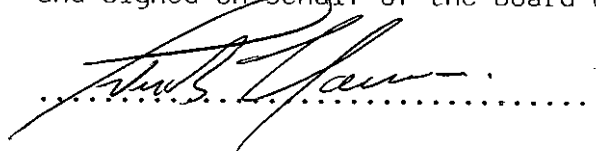
The notes on pages 5 to 11 form part of the Financial Statements



**HARRISON OPERATIONS LIMITED**  
**BALANCE SHEET AT 30 JUNE 1994**

	Notes	30 June 1994		30 June 1993	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible Assets	VI		11,955		242,149
Less: Bank Loans	IX	(60,000)		(252,062)	
Pension Fund Loanback	X	(25,000)		(25,000)	
			(85,000)		(277,062)
			(73,045)		(34,913)
<b>NET CURRENT (LIABILITIES)</b>					
Current Liabilities					
Director's Current Account		53		1,319	
Monies due to Artists		90,447		128,043	
Sundry Creditors	VIII	78,722		40,087	
Bank Overdraft		27,695		41,195	
Corporation Tax Due	I	23,874		-	
		220,791		210,644	
Less: Current Assets					
Monies due from Artists		5,809		37,633	
Sundry Debtors and Prepayments	VII	8,634		9,452	
Cash in Hand		1,236		1,689	
Stock of Antiques	I	36,774		67,680	
		52,453		116,454	
			(168,338)		(94,190)
<b>PROVISION FOR DEFERRED TAXATION</b>			-		(23,874)
			£(241,383)		£(152,977)
			=====		=====
	Represented by:				
<b>SHARE CAPITAL</b>	XII		200,000		200,000
<b>CAPITAL RESERVE</b>	XIII		103,393		103,393
<b>RETAINED (LOSSES)</b>	XIII		(544,776)		(456,370)
<b>SHAREHOLDERS' FUNDS</b>	XIV		£(241,383)		£(152,977)
			=====		=====

The Financial Statements were approved by the Board of Directors on 27 August 1996 and signed on behalf of the Board by:

 T.B. Harrison - Director

The notes on pages 5 to 11 form part of the Financial Statements



# HARRISON OPERATIONS LIMITED

## NOTES TO FINANCIAL STATEMENTS - YEAR ENDED 30 JUNE 1994

### I ACCOUNTING POLICIES

#### BASIS OF ACCOUNTING

The Financial Statements have been prepared under the Historical Cost Accounting Convention and in accordance with applicable accounting standards.

#### TURNOVER

Turnover represents the invoiced value of Goods and Services to Customers, excluding Value Added Tax.

#### COST OF SALES

Cost of sales is stated as all those costs directly incurred by the Company, in order to bring each product sold to its saleable condition and to provide the services to customers.

#### FIXED ASSETS

Depreciation is calculated to write off the book value on a reducing balance basis over the expected useful lives of all tangible fixed assets.

The rates used are:

Furniture, Fixtures and	
Office Equipment	- 25% on Written Down Value
Motor Car	- 25% on Written Down Value

#### STOCK OF ANTIQUES

Stock has been valued at the lower of cost or net realisable value. Professional valuations have been obtained at 30 June 1994.

#### DEFERRED TAXATION

Deferred taxation is provided at current taxation rates under the liability method to take account of all timing differences between profits as stated in the Financial Statements and as computed for tax purposes.

Analysis of potential liability

	<u>1994</u>	<u>1993</u>
'Rolled Over' Capital Gains Tax	£Nil	£23,874
	===	=====

During the year ended 30 June 1994 the 'rolled over' Capital Gains Tax crystallized following the freehold property disposal (see Note V).



# HARRISON OPERATIONS LIMITED

## NOTES TO FINANCIAL STATEMENTS - 30 JUNE 1994

(Continued)

### II RESULT ON ORDINARY ACTIVITIES BEFORE TAXATION

	<u>Year Ended</u> <u>30 June 1994</u>	<u>Year Ended</u> <u>30 June 1993</u>
	<u>£</u>	<u>£</u>
Result on Ordinary Activities before Taxation is stated after charging:		
Interest payable on loans repayable after 5 years	18,345	22,324
Interest payable on loans repayable within 5 years	1,954	7,188
Depreciation	2,999	3,731
(Loss) on Disposal of Fixed Assets	28,800	31,242
Auditors' Remuneration	3,630	3,630
Directors' Emoluments (including pension contributions)	76,930	36,729
	=====	=====

### III EMPLOYEES

- a) The average number of persons, including the Director, employed by the Company during the year was 4 (1993 4).
- b) Staff costs, including the Directors' remuneration and pension contributions paid by the Company: £36,084 (1993 £98,188).

### IV DIRECTOR'S EMOLUMENTS

	<u>1993/94</u>	<u>1992/93</u>
	<u>£</u>	<u>£</u>
Emoluments for services as Director:		
Chairman and Highest Paid Director	£69,000	£33,333
Pension Contributions	£ 7,930	£ 3,396

### V TAXATION

Corporation Tax has been provided on the taxable profits for the year at a rate of 25% (1993 25%).



# HARRISON OPERATIONS LIMITED

## NOTES TO FINANCIAL STATEMENTS - YEAR ENDED 30 JUNE 1994

(Continued)

### VI FIXED ASSETS - Tangible Assets

	Freehold Properties	Furniture Fixtures and Office Equipment	Motor Car	Total
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>COST</u>				
At 1 July 1993	228,000	25,126	5,508	258,634
Additions during year	-	805	-	805
Disposal during year	(228,000)	-	-	(228,000)
At 30 June 1994	-	25,931	5,508	31,439
<u>DEPRECIATION</u>				
At 1 June 1993	-	13,300	3,185	16,458
Provided during year	-	2,418	581	2,999
At 30 June 1994	-	15,718	3,766	19,484
<u>NET BOOK VALUE</u>				
At 1 July 1993	£228,000	£11,826	£2,323	£242,149
	=====	=====	=====	=====
At 30 June 1994	£ -	£10,213	£1,742	£11,955
	=====	=====	=====	=====

### VII DEBTORS - Due within 1 year

	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
Trade Debtors	8,634	9,452
Prepayments	-	-
	£8,634	£9,452
	=====	=====

### VIII TRADE CREDITORS - Due within 1 year

	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
Social Security and Other Taxes	2,163	-
Other	75,674	39,747
Accruals	885	340
	£78,722	£40,087
	=====	=====



HARRISON OPERATIONS LIMITED

NOTES TO FINANCIAL STATEMENTS - 30 JUNE 1994

(Continued)

IX BANK LOANS AND OVERDRAFT

The Bank Loans and Overdraft are secured by a floating charge over all Fixed Assets. The Loan is repayable by monthly instalments to May 1999.

X PENSION FUND LOANBACK

The following Loan was taken out with National Provident Institution secured against the Harrison Operations Limited Executive Pension Plan. Interest is payable on the Loan at a maximum rate of interest 3% greater than the rate of bonus declared by N.P.I. on investments held in capital accounts for each calendar year.

XI CAPITAL COMMITMENTS

The Director had approved capital expenditure at 30 June 1994 amounting to nil (1993 nil).

XII SHARE CAPITAL

At 1 July 1993 and  
30 June 1994  
£

Authorised and Issued	
200,000 Ordinary Shares of £1 each	£200,000
	=====

XIII RESERVES

	Capital Reserve	Profit & Loss Account
	<u>£</u>	<u>£</u>
At 1 July 1993	103,393	(456,370)
Retained (Loss) for the Year	-	(88,406)
	<u>          </u>	<u>          </u>
At 30 June 1994	£103,393	£(544,776)
	=====	=====



# HARRISON OPERATIONS LIMITED

## NOTES TO FINANCIAL STATEMENTS - 30 JUNE 1994

### (Continued)

#### XIV EQUITY SHAREHOLDERS' FUNDS

	<u>30 June 1994</u>	<u>30 June 1993</u>
	<u>£</u>	<u>£</u>
Opening Funds	(152,977)	(83,776)
(Loss) for the Year	(88,406)	(69,201)
Closing Funds	£(241,383)	£(152,977)
	=====	=====

#### XV COMPARATIVE FIGURES

The comparative figures present balances at 30 June 1993 or income or expenditure for the year ended on that date.

#### XVI CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 1994

	<u>1993/94</u>	<u>1992/93</u>
	<u>£</u>	<u>£</u>
Net Cash Inflow from Operating Activities	27,013	15,864
Bank Interest Paid	(20,299)	(29,512)
Bank Interest Received	-	1
Taxation		
UK Corporation Tax Paid	-	-
Fixed Assets Acquired	(805)	(1,263)
Fixed Asset Disposal	199,200	156,493
Net Cash Inflow before Financing	205,109	141,583
Bank Loan (Repayments)/Advances	(192,062)	46,023
Increase in Cash and Cash Equivalents	£ 13,047	£187,606
	=====	=====



# HARRISON OPERATIONS LIMITED

## NOTES TO FINANCIAL STATEMENTS - 30 JUNE 1994

(Continued)

### XVI CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 1994

#### Notes

	<u>1993/94</u>	<u>1992/93</u>	
	<u>£</u>	<u>£</u>	
(i) <u>RECONCILIATION OF OPERATING RESULT TO NET CASH INFLOW FROM OPERATING ACTIVITIES</u>			
Operating (Loss)	(68,107)	(39,690)	
Depreciation Charges	2,999	3,731	
Decrease in Stock	30,906	25,250	
Decrease/(Increase) in Debtors	32,642	(2,563)	
(Decrease) in Creditors	(227)	(2,106)	
(Loss) on Disposal of Fixed Asset	28,800	31,242	
Net Cash Inflow from Operating Activities	<u>£27,013</u>	<u>£15,864</u>	
	=====	=====	
(ii) <u>ANALYSIS OF CHANGES IN CASH DURING THE YEAR</u>			
Balance at 1 July 1993	(39,506)	(227,112)	
Net Cash Inflow	13,047	187,606	
Balance at 30 June 1994	<u>£(26,459)</u>	<u>£(39,506)</u>	
	=====	=====	
(iii) <u>ANALYSIS OF CHANGES IN CASH AS SHOWN IN THE BALANCE SHEET</u>			
	<u>1994</u>	<u>1993</u>	<u>Change in</u>
	<u>£</u>	<u>£</u>	<u>Year</u>
Cash at Bank and in Hand	1,236	1,689	(453)
Bank Overdrafts	(27,695)	(41,195)	13,500
	<u>£(26,459)</u>	<u>£(39,506)</u>	<u>£13,047</u>
	=====	=====	=====



HARRISON OPERATIONS LIMITED

NOTES TO FINANCIAL STATEMENTS - YEAR ENDED 30 JUNE 1994

(Continued)

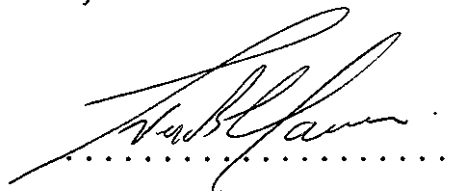
VII STATEMENT OF DIRECTOR'S RESPONSIBILITIES

Company law requires the Director 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 Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable him to ensure that the Financial Statements comply with the Companies Act 1985. He is 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.

By Order of the Board

A handwritten signature in dark ink, appearing to read 'T.B. Harrison', is written over a horizontal dotted line.

T.B. Harrison  
Director

3 September 1996