

Ⓟ With letter of mine of
8 Sept 2000

HARCOURT PROPERTY MANAGEMENT &
FINANCIAL SERVICES LIMITED

DIRECTORS' REPORT AND ACCOUNTS

FOR THE PERIOD 1 JULY 1998 TO 30 SEPTEMBER 1999



Company No. 3392418
**Blackstone
Franks**

HARCOURT PROPERTY MANAGEMENT & FINANCIAL SERVICES LIMITED

COMPANY INFORMATION

Directors	Mr M.J. Green Mr J.M. O'Mulloy
Secretary	Mrs G. Green
Company number	3392418
Registered office	18 Harcourt Terrace London SW10 9JR
Accountants	Blackstone Franks & Co Barbican House 26-34 Old Street London EC1V 9QR
Solicitors	Coole & Haddock 14 Carfax Horsham West Sussex RH12 1DZ

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HARCOURT PROPERTY MANAGEMENT & FINANCIAL SERVICES LIMITED

DIRECTORS' REPORT

FOR THE PERIOD 1 JULY 1998 TO 30 SEPTEMBER 1999

The Directors present their Report and the Accounts for the Company for the period 1 July 1998 to 30 September 1999.

Principal activities

The Company acquired the Freehold interest in 18 Harcourt Terrace London SW10 and having so far granted one of the prepared 999 year leases to a tenant of that building, it continues the management thereof as residential premises.

The costs of maintaining the property are borne by the leaseholders by way of service charges. All service charges are effectually held in trust by the company for the benefit of the contributing tenants pursuant to the Landlord and Tenant Acts 1985 and 1987 and the Housing Act 1996. The service charge fund is administered on the company's behalf by its managing agents, Hamptons International. As the company has no beneficial interest in the service charge fund it has been excluded from these accounts. Service charge accounts prepared in accordance with the Landlord and Tenant Act 1985 (as amended) and the terms of their leases are provided to contributing tenants annually.

Results

The results for the period are set out in the profit and loss account on page 4.

The Directors are able to report that the grant of long leases to tenants is progressing well.

Negotiations for the grant of a lease on Flat Number 5 have proved arduous but matters now appear to be moving forward.

Values of residential property in the area continue to move strongly ahead and that should be reassuring to shareholders.

Directors

The directors who held office during the period and their beneficial interests in the company's issued share capital are given below:

	Ordinary Shares of £1 each	
	30 September 1999	1 July 1998
Mr M.J. Green	1	1
Mr J.M. O'Mulloy	1	1

HARCOURT PROPERTY MANAGEMENT & FINANCIAL SERVICES LIMITED

DIRECTORS' REPORT

FOR THE PERIOD 1 JULY 1998 TO 30 SEPTEMBER 1999

Directors' Responsibilities

Company law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those accounts the directors are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

Prepare the accounts 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 enable them to ensure that the accounts 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.

Small company exemptions

This report has been prepared in accordance with the special provisions relating to small companies within part VII of the Companies Act 1985.

By order of the Board

Gloria Green.

Mrs G. Green, Secretary

Date: 7th Sept. 2000

ACCOUNTANTS' REPORT TO THE DIRECTORS
ON THE UNAUDITED ACCOUNTS OF
HARCOURT PROPERTY MANAGEMENT & FINANCIAL SERVICES LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the period 1 July 1998 to 30 September 1999, set out on pages 4 to 7, and you consider that the company is exempt from an audit and a report under Section 249A(1) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Blackstone Franks & Co
Chartered Accountants
Barbican House
26-34 Old Street
London
EC1V 9QR

Date:

HARCOURT PROPERTY MANAGEMENT & FINANCIAL SERVICES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD 1 JULY 1998 TO 30 SEPTEMBER 1999

	Notes	1999	1998
Turnover	3	1,364	67,902
Cost of sales		-	(68,963)
Gross profit/(loss)		1,364	(1,060)
Administrative expenses		(705)	(2,568)
Operating profit/(loss)	4	659	(3,629)
Interest receivable		-	2,063
Profit/(Loss) on ordinary activities before taxation		659	(1,566)
Tax on profit/loss on ordinary activities		-	-
Profit/(Loss) for the financial period	8	659	(1,566)
Retained (loss) brought forward		(1,566)	-
Retained (loss) carried forward		(907)	(1,566)

The notes on pages 6 to 7 form part of these accounts.

HARCOURT PROPERTY MANAGEMENT & FINANCIAL SERVICES LIMITED

BALANCE SHEET

AS AT 30TH SEPTEMBER 1999

	Notes	1999 £	1998 £
Current assets			
Debtors	5	23,393	25,387
Cash in hand		-	1,987
		<u>23,393</u>	<u>27,374</u>
Creditors: Amounts falling due within one year	6	<u>(24,296)</u>	<u>(28,936)</u>
Total assets less current liabilities		<u>(903)</u>	<u>(1,562)</u>
Capital and reserves			
Share capital	7	4	4
Profit and loss account	8	<u>(907)</u>	<u>(1,566)</u>
Shareholders' funds	9	<u>(903)</u>	<u>(1,562)</u>

The directors are of the opinion that the company is entitled to exemption from audit conferred by Subsection 1 of Section 249A of the Companies Act 1985 for the period 1 July 1998 to 30 September 1999.

The directors confirm that no member or members have requested an audit pursuant to Subsection 2 of Section 249B of the Companies Act 1985.

The directors confirm that they are responsible for:

ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985,

and preparing accounts which give a true and fair view of the state of the affairs of the company as at the end of the financial period and of its results for the financial period in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (effective March 2000)

These accounts were approved by the board and signed on its behalf by:

Mr M.J. Green
Director



Date:

7th Sept 2000

HARCOURT PROPERTY MANAGEMENT & FINANCIAL SERVICES LIMITED

NOTES TO THE ACCOUNTS

FOR THE PERIOD 1 JULY 1998 TO 30 SEPTEMBER 1999

1 Accounting policies**Basis of accounting**

The accounts have been prepared under the historical cost convention.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

The costs of maintaining the property are borne by the leaseholders by way of service charges. All service charges are effectually held in trust for the benefit of contributing tenants pursuant to the Landlord and Tenant Acts 1985 and 1987 and the Housing Act 1996. As the company has no beneficial interest in the service charge fund it has been excluded from these accounts. Company administration costs have been borne by the service charge fund. Accounts for the service charge fund are drawn up annually in accordance with the Landlord and Tenant Act 1985 (as amended) and provided to each leaseholder.

Turnover

Turnover is the total amount receivable by the company as ground rent and service charges demanded on account for the period under consideration.

2 Freehold Property

The value of the freehold has been written down upon the granting of 999 year leases.

3 Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

4 Operating profit

The operating profit is stated after charging or crediting:

	1999	1998
	£	£
Accountants' remuneration	411	1,762

5 Debtors

	1999	1998
	£	£
Other debtors	23,393	25,387
	<u>23,393</u>	<u>25,387</u>

6 Creditors: amounts falling due within one year

	1999	1998
	£	£
Trade creditors	-	1,337
Other creditors	24,296	27,598
	<u>24,296</u>	<u>28,936</u>

HARCOURT PROPERTY MANAGEMENT & FINANCIAL SERVICES LIMITED

NOTES TO THE ACCOUNTS

FOR THE PERIOD 1 JULY 1998 TO 30 SEPTEMBER 1999

7	Share capital	1999	1998
		£	£
	Authorised		
	5 Ordinary shares of £1.00 each	5	5
		<u>5</u>	<u>5</u>
	Allotted		
	4 Allotted, called up and fully paid ordinary shares of £1.00 each	4	4
		<u>4</u>	<u>4</u>
8 Reserves			
			Profit and loss account
			£
	(Loss) for the period ended 30 June 1998		(1,566)
	At 1st July 1998		(1,566)
	Profit for the period		659
	At 30th September 1999		<u>(907)</u>
9 Reconciliation of movement in shareholders' funds			
		1999	1998
		£	£
	Profit/(Loss) for the financial period	659	(1,566)
	Issue of share capital	-	4
	Increase in the shareholders' funds	659	(1,562)
	Opening shareholders' funds	(1,562)	-
	Closing shareholders' funds	<u>(903)</u>	<u>(1,562)</u>