

**HARRISON HOME DEVELOPMENTS LIMITED**  
**ACCOUNTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2004**



**ACCOUNTANTS FOR BUSINESS DEVELOPMENT & SOLUTIONS**

Chartered Certified Accountants  
15 Oxford Street  
Southampton  
Hampshire  
SO14 3DJ

# **HARRISON HOME DEVELOPMENTS LIMITED**

## **ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2004**

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**HARRISON HOME DEVELOPMENTS LIMITED****THE DIRECTORS' REPORT****YEAR ENDED 31 DECEMBER 2004**

The directors have pleasure in presenting their report and the unaudited accounts of the company for the year ended 31 December 2004.

**PRINCIPAL ACTIVITIES**

The principal activity of the company during the year was property development and sale.

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

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	<b>Ordinary Shares of £1 each</b>	
	<b>At</b>	<b>At</b>
	<b>31 December</b>	<b>1 January 2004</b>
	<b>2004</b>	
Paul Harrison	<b>51</b>	<b>1</b>
Peter Harrison	<b>49</b>	<b>1</b>

**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 on behalf of the directors

P Harrison  
Director

Approved by the directors on 

27 October 2005

**HARRISON HOME DEVELOPMENTS LIMITED****PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 DECEMBER 2004**

	Note	2004 £	2003 (restated) £
<b>TURNOVER</b>		<b>264,500</b>	874,559
Cost of sales		<b>155,347</b>	412,702
<b>GROSS PROFIT</b>		<b>109,153</b>	461,857
Administrative expenses		<b>18,662</b>	396,250
<b>OPERATING PROFIT</b>	<b>2</b>	<b>90,491</b>	65,607
Interest receivable and similar income		<b>6,985</b>	4,598
Interest payable and similar charges		<b>(10,333)</b>	—
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>87,143</b>	70,205
Tax on profit on ordinary activities		<b>18,752</b>	19,736
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		<b>68,391</b>	50,469

The notes on pages 6 to 8 form part of these accounts.

**HARRISON HOME DEVELOPMENTS LIMITED****STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES****YEAR ENDED 31 DECEMBER 2004**

	<b>2004</b>	<b>2003</b> <i>(restated)</i>
	<b>£</b>	<b>£</b>
Profit for the financial year attributable to the shareholders	<b>68,391</b>	50,469
Total recognised gains and losses relating to the year	<b>68,391</b>	<u>50,469</u>
Prior year adjustment (see note 3)	<b>95,470</b>	
Total gains and losses recognised since the last annual report	<b><u>163,861</u></b>	

The notes on pages 6 to 8 form part of these accounts.

**HARRISON HOME DEVELOPMENTS LIMITED****BALANCE SHEET****31 DECEMBER 2004**

		2004	2003 (restated)	
	Note	£	£	£
<b>FIXED ASSETS</b>				
Tangible assets	4		4,814	8,929
<b>CURRENT ASSETS</b>				
Stocks		155,292		300,816
Debtors	5	337,487		3,322
Cash at bank		8,580		252,927
		<u>501,359</u>		<u>557,065</u>
<b>CREDITORS: Amounts falling due within one year</b>	6	<u>91,162</u>		<u>219,472</u>
<b>NET CURRENT ASSETS</b>			<u>410,197</u>	<u>337,593</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u><u>415,011</u></u>	<u><u>346,522</u></u>
<b>CAPITAL AND RESERVES</b>				
Called-up equity share capital	8		100	2
Profit and loss account	9		414,911	346,520
<b>SHAREHOLDERS' FUNDS</b>			<u><u>415,011</u></u>	<u><u>346,522</u></u>

The Balance sheet continues on the following page.  
**The notes on pages 6 to 8 form part of these accounts.**

**HARRISON HOME DEVELOPMENTS LIMITED****BALANCE SHEET (continued)****31 DECEMBER 2004**

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

These accounts 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 June 2002).

These accounts were approved by the directors on the 27.10.2005 and are signed on their behalf by:

  
PAUL HARRISON

  
PETER HARRISON

The notes on pages 6 to 8 form part of these accounts.

# HARRISON HOME DEVELOPMENTS LIMITED

## NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2004

### 1. ACCOUNTING POLICIES

#### Basis of accounting

The accounts have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### Turnover

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

#### Fixed assets

All fixed assets are initially recorded at cost.

#### 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:

Motor Vehicles	- 25% reducing balance basis
Equipment	- 25% reducing balance basis

#### Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

### 2. OPERATING PROFIT

Operating profit is stated after charging:

	2004	2003 (restated)
	£	£
Directors' emoluments	—	337,000
Depreciation of owned fixed assets	2,256	2,978
Loss on disposal of fixed assets	<u>531</u>	<u>—</u>

### 3. PRIOR YEAR ADJUSTMENT

The prior year adjustment included in the accounts relates to additional profit and tax liabilities resulting from an Inland Revenue enquiry. The breakdown of the adjustment is as follows:

	£
Sales	146,000
Cost of Sales	(8,535)
Corporation Tax Liability	<u>(41,995)</u>
	<u>95,470</u>

The comparative figures for the year ended 31 December 2003 have been restated to reflect the adjustment.



# HARRISON HOME DEVELOPMENTS LIMITED

## NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2004

### 4. TANGIBLE FIXED ASSETS

	Motor Vehicles £	Equipment £	Total £
<b>COST</b>			
At 1 January 2004	13,838	926	14,764
Additions	—	672	672
Disposals	(6,000)	—	(6,000)
<b>At 31 December 2004</b>	<b>7,838</b>	<b>1,598</b>	<b>9,436</b>
<b>DEPRECIATION</b>			
At 1 January 2004	5,429	406	5,835
Charge for the year	1,959	297	2,256
On disposals	(3,469)	—	(3,469)
<b>At 31 December 2004</b>	<b>3,919</b>	<b>703</b>	<b>4,622</b>
<b>NET BOOK VALUE</b>			
<b>At 31 December 2004</b>	<b>3,919</b>	<b>895</b>	<b>4,814</b>
At 31 December 2003	8,409	520	8,929

### 5. DEBTORS

	2004 £	2003 (restated) £
Paul Harrison - director's current account	250,121	—
Peter Harrison - director's current account	38,924	—
Other debtors	48,442	3,322
	<b>337,487</b>	<b>3,322</b>

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

	2004 £	2003 (restated) £
Corporation tax	87,662	19,734
Other taxation and social security	—	176,755
Other creditors	3,500	22,983
	<b>91,162</b>	<b>219,472</b>

# HARRISON HOME DEVELOPMENTS LIMITED

## NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2004

### 7. RELATED PARTY TRANSACTIONS

The company was under the control of Mr Paul Harrison and Mr Peter Harrison, who are the directors and only shareholders, throughout the current and previous year. Mr Paul Harrison is the majority shareholder.

Mr Paul Harrison and Mr Peter Harrison also have a partnership known as The Birches. At the year end the company owed £0 (2003 - £56,910) to The Birches.

At the balance sheet date the company was owed £250,121 (2003 - -£48,898) by Mr Paul Harrison on his director's current account. This amount was the maximum balance outstanding during the year. Mr Paul Harrison had repaid £63,830 of this amount within 9 months of the balance sheet date.

At the balance sheet date the company was owed £38,924 (2003 - -£50,848) by Mr Peter Harrison on his director's current account. This amount was the maximum balance outstanding during the year. Mr Peter Harrison had repaid the full amount within 9 months of the balance sheet date.

### 8. SHARE CAPITAL

#### Authorised share capital:

	2004	2003 (restated)
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

#### Allotted, called up and fully paid:

	2004		2003	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>2</u>	<u>2</u>

### 9. PROFIT AND LOSS ACCOUNT

	2004	2003 (restated)
	£	£
Original balance brought forward	251,050	296,051
Prior year adjustment (note 3)	<u>95,470</u>	<u>-</u>
Restated balance brought forward	346,520	296,051
Retained profit for the financial year	<u>68,391</u>	<u>50,469</u>
Balance carried forward	<u>414,911</u>	<u>346,520</u>