

REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS FOR THE PERIOD 30 JULY 1998 TO 31 JULY 1999
FOR
HARRISONS PROPERTIES UK LIMITED



HARRISONS PROPERTIES UK LIMITED

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FOR THE PERIOD 30 JULY 1998 TO 31 JULY 1999

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HARRISONS PROPERTIES UK LIMITED

COMPANY INFORMATION
FOR THE PERIOD 30 JULY 1998 TO 31 JULY 1999

DIRECTOR: H S Cheema

SECRETARY: Mrs Kiranjit Kaur

REGISTERED OFFICE: Harrison House
Marston Road
Wolverhampton
WV2 4NJ

REGISTERED NUMBER: 3607725 (England and Wales)

ACCOUNTANTS: Thaper & Co
Chartered Accountants
Harpal House
14 Holyhead Road
Handsworth
Birmingham B21 0LT

BANKERS: Royal Bank of Scotland PLC
Wolverhampton Branch
37 Princess Street
Wolverhampton

HARRISONS PROPERTIES UK LIMITED

REPORT OF THE DIRECTOR
FOR THE PERIOD 30 JULY 1998 TO 31 JULY 1999

The director presents his report with the financial statements of the company for the period 30 July 1998 to 31 July 1999.

COMMENCEMENT OF TRADING

The company was incorporated on 30 July 1998. It commenced trading on 1 December 1998.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of dealing in property

REVIEW OF BUSINESS

The results for the period and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No dividends will be distributed for the period ended 31 July 1999.

FIXED ASSETS

In the opinion of the director the market value of the freehold properties is in excess of the value at which they are stated in the accounts.

DIRECTOR

H S Cheema was the sole director during the period under review.

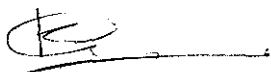
His beneficial interest in the issued share capital of the company was as follows:

	31.7.99	30.7.98
Ordinary £1 shares	250	500

The director, being eligible, offers himself for election at the forthcoming first Annual General Meeting.

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

ON BEHALF OF THE BOARD:



Mrs Kiranjit Kaur - SECRETARY

Dated: 30 May 2000

HARRISONS PROPERTIES UK LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE PERIOD 30 JULY 1998 TO 31 JULY 1999

	Notes	£
TURNOVER		-
Administrative expenses		<u>10,021</u>
		(10,021)
Other operating income		<u>5,530</u>
OPERATING LOSS	2	(4,491)
Interest payable and similar charges		<u>6,932</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(11,423)
Tax on loss on ordinary activities	3	<u>-</u>
LOSS FOR THE FINANCIAL PERIOD AFTER TAXATION		(11,423)
DEFICIT CARRIED FORWARD		<u><u>£(11,423)</u></u>

The notes form part of these financial statements

HARRISONS PROPERTIES UK LIMITED

BALANCE SHEET

31 JULY 1999

	Notes	£	£
FIXED ASSETS:			
Tangible assets	4		174,010
CURRENT ASSETS:			
Stocks		143,379	
Debtors	5	9,413	
Cash at bank		4,859	
		<u>157,651</u>	
CREDITORS: Amounts falling due within one year	6	<u>342,084</u>	
NET CURRENT LIABILITIES:			<u>(184,433)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u><u>£(10,423)</u></u>
CAPITAL AND RESERVES:			
Called up share capital	8		1,000
Profit and loss account			<u>(11,423)</u>
Shareholders' funds			<u><u>£(10,423)</u></u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the period ending 31 July 1999.

No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial year.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 1999).

ON BEHALF OF THE BOARD:


H S Cheema - DIRECTOR

Approved by the Board on 30 May 2000

The notes form part of these financial statements

HARRISONS PROPERTIES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 30 JULY 1998 TO 31 JULY 1999

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999).

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 10% on reducing balance

Stocks

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

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the director, there is reasonable probability that the liability will not arise in the foreseeable future.

2. OPERATING LOSS

The operating loss is stated after charging:

	£
Depreciation - owned assets	<u>1,259</u>
Director's emoluments and other benefits etc	<u>-</u>

3. TAXATION

No liability to UK corporation tax arose on ordinary activities for the period.

4. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery etc	Totals
	£	£	£
COST:			
Additions	<u>162,680</u>	<u>12,589</u>	<u>175,269</u>
At 31 July 1999	<u>162,680</u>	<u>12,589</u>	<u>175,269</u>
DEPRECIATION:			
Charge for period	<u>-</u>	<u>1,259</u>	<u>1,259</u>
At 31 July 1999	<u>-</u>	<u>1,259</u>	<u>1,259</u>
NET BOOK VALUE:			
At 31 July 1999	<u>162,680</u>	<u>11,330</u>	<u>174,010</u>

HARRISONS PROPERTIES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 30 JULY 1998 TO 31 JULY 1999

**5. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	£
V.A.T.	706
Trade debtors	5,874
Prepayments & accrued income	2,833
	<hr/>
	9,413
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**6. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	£
Bank loans and overdrafts	111,210
Royal Bank of Scotland - Loan	152,563
Trade creditors	4,349
Directors current accounts	30,221
Deposits from tenants	1,640
Associated company	38,000
Accrued expenses	4,101
	<hr/>
	342,084
	<hr/>

7. SECURED DEBTS

The bank borrowing is secured by a charge over the freehold properties owned by the company

8. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	£
1,000	Ordinary	£1	1,000
			<hr/>

9. CAPITAL COMMITMENTS

	£
Contracted but not provided for in the financial statements	-
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During the year the company purchased The Firs clinic in Birmingham. Planning permission has been obtained to develop the property into 20 self contained flats. The cost of this work is estimated at £240,000.

10. ASSOCIATED COMPANY

The company is an associated company of C H Harrisons PLC within the meaning of section 416 ICTA 1988.