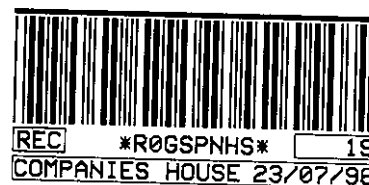


Company number: 0835993

**HARRODS ESTATES LIMITED  
(FORMERLY HARRODS ESTATES)**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE 52 WEEKS ENDED 27 JANUARY 1996**



# **HARRODS ESTATES LIMITED**

## **DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE 52 WEEKS ENDED 27 JANUARY 1996**

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## **HARRODS ESTATES LIMITED**

### **DIRECTORS' REPORT**

The directors present their report and the audited financial statements of the Company for the 52 weeks ended 27 January 1996.

#### **Directors**

The present directors of the Company are:

Mr C. P. de Boer - appointed 11.4.95  
Mr J. G. Hawkins  
Mr J.M. Griffiths - appointed 26.1.96  
Mr M. Rogers - appointed 26.1.96  
Mr J.C. Bradley - appointed 5.2.96  
Mr R. M. Connor - appointed 5.2.96

Other directors who served during the year were:

Mrs S. Jerman - (appointed 11.4.95, resigned 26.1.96)  
Mr A. R. Cox (resigned 25.5.95)

In accordance with the Articles of Association no director is required to seek re-election at the forthcoming Annual General Meeting.

#### **Principal Activity**

The principal activity of the company was that of estate agents. The company did not trade between July 1993 and February 1996. On 8 February 1996 Harrods Estates became a limited liability company and changed its name to Harrods Estates Limited.

On 21 February 1996 the company increased its authorised share capital to £ 350,000 by creation of 325,000 £1 ordinary shares. On the same date 313,913 of these £1 ordinary shares were issued at par in consideration for an inter-company balance of £313,913 held with Harrods Limited. The company then recommenced trading.

#### **Results and Dividends**

The results for the year are set out on page 5. The directors do not propose the payment of a dividend.

## **DIRECTORS' REPORT (Continued)**

### **Directors' Interests**

No director in office at 27 January 1996 held any beneficial interest in the shares of Harrods Investments plc or any of its subsidiaries at 29 January 1995 or at 27 January 1996.

No director has had a material interest, directly or indirectly, at any time during the year in any contract significant to the business.

### **Insurance**

The Harrods Investments plc Group maintains insurance in respect of Directors and Officers of all Group subsidiaries against any such liabilities as are referred to in section 310 of the Companies Act 1985.

### **Statement of Directors' Responsibilities**

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year 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 the profit or loss for the financial year.

The directors consider that in preparing the financial statements, which have been prepared on a going concern basis, on pages 5 to 8, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities

### **Auditors**


Price Waterhouse have expressed to the Company their willingness to continue in office as Auditors and a resolution proposing their re-appointment and authorising the directors to fix their remuneration will be put to the Annual General Meeting.

## DIRECTORS' REPORT (Continued)

### Close Company

As at 27 January 1996, the Company was a Close Company within the meaning of Part XI, Chapter I of the Income and Corporation Taxes Act 1988.

By Order of the Board



S. Jerman  
Secretary

17 April 1996

Registered Office:  
87-135 Brompton Road  
Knightsbridge  
London SW1X 7XL

*Price Waterhouse*



## AUDITORS' REPORT TO THE MEMBERS OF HARRODS ESTATES LIMITED

We have audited the financial statements on pages 5 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

### Respective responsibilities of directors and auditors

As described on page 2 the Company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### Basis of opinion

We conducted our audit in accordance with 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 affairs of the Company as at 27 January 1996 and have been properly prepared in accordance with the Companies Act 1985.

*Price Waterhouse*

Price Waterhouse  
Chartered Accountants  
and Registered Auditors

4 April 1996

# HARRODS ESTATES LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE 52 WEEKS ENDED 28 JANUARY 1995

		52 Weeks Ended 27 January 1996 £	52 Weeks Ended 28 January 1995 £
	Notes		
<b>TURNOVER</b>		-	-
Administrative expenses		-	(30)
		<hr/>	<hr/>
<b>OPERATING LOSS</b>	1	-	(30)
<b>OTHER INCOME</b>		-	534
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION FOR THE FINANCIAL YEAR</b>		-	504
		<hr/>	<hr/>
<b>TRANSFER TO RESERVES</b>		-	504
		<hr/>	<hr/>

The company has no recognised gains and losses other than those included in the profit and loss account above, therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the profit on ordinary activities before taxation and the retained profit for the years stated above, and their historical cost equivalents.

As the Company ceased trading in the previous year all gains and losses relate to discontinued operations.

# HARRODS ESTATES LIMITED

## BALANCE SHEET AT 27 JANUARY 1996

	Notes	27 January 1996 £	28 January 1995 £
<b>CURRENT ASSETS</b>			
Cash and bank balances		-	715
		<hr/>	<hr/>
		-	715
<b>CREDITORS</b>			
Amounts falling due within one year	1	(313,913)	(314,628)
		<hr/>	<hr/>
<b>NET CURRENT LIABILITIES</b>		(313,913)	(313,913)
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	2	25,000	25,000
Profit and loss account	3	(338,913)	(338,913)
		<hr/>	<hr/>
<b>TOTAL SHAREHOLDERS FUNDS</b>		(313,913)	(313,913)
		<hr/>	<hr/>

Approved by the Board on

17th April 1996



J.G.Hawkins  
Director



## HARRODS ESTATES LIMITED

### ACCOUNTING POLICIES

#### Basis of financial statements

The financial statements have been prepared under the historical cost convention and comply with the disclosure requirements of the Companies Act 1985 and applicable accounting standards.

Harrods Estates is a wholly owned subsidiary of Harrods Investments plc which produces a consolidated cash flow statement in accordance with Financial Reporting Standard 1 (FRS 1). Consequently the Company has taken advantage of the exemption in FRS 1 from producing a cash flow statement.

### NOTES TO THE FINANCIAL STATEMENTS

	27 January 1996 £	28 January 1995 £
<b>1 Creditors</b>		
<b>Amounts falling due within one year:</b>		
Amounts owed to parent undertaking	(313,913)	(314,628)
	<u>                    </u>	<u>                    </u>
<b>2 Called up share capital</b>		
Authorised, allotted and fully paid ordinary shares of £1	<u>25,000</u>	<u>25,000</u>

## HARRODS ESTATES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (Continued)

<b>3 Reserves</b>	27 January 1996	28 January 1995
Profit and loss account	£	£
Balance at 28 January 1995	(338,913)	
Profit for the year	-	
Balance at 27 January 1996	<u>(338,913)</u>	

#### **4 Shareholders' funds reconciliation of movements**

Total recognised gains	-	504
Opening shareholders' funds	(313,913)	(314,417)
Closing shareholders' funds	<u>(313,913)</u>	<u>(313,913)</u>

#### **5 Post balance sheet event**

On 8 February 1996 Harrods Estates became a limited liability company and changed its name to Harrods Estates Limited.

On 21 February 1996 the company increased its authorised share capital to £350,000 by creation of £325,000 £1 ordinary shares. On the same date 313,913 of these £1 ordinary shares were issued at par in consideration for an intercompany balance of £313,913 held with Harrods Limited. The company then recommenced trading.

#### **6 Parent undertakings**

The ultimate undertaking is Alfayed Investment and Trust PVT LP, a partnership based in Bermuda (formerly Alfayed Investment and Trust PVT Limited, a company incorporated in Bermuda). All interests in the Partnership continue to be under the control and held for the benefit of the Fayed family.