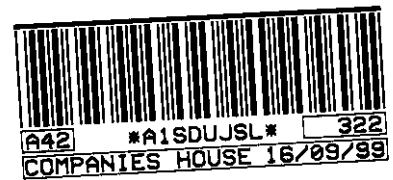


**HIGHRAK LIMITED**  
**ABBREVIATED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**28 MARCH 1999**



REGISTERED NUMBER: 2311839



**HIGHRAK LIMITED**

**ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 MARCH 1999**

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# **HIGHRAK LIMITED**

**COMPANY INFORMATION  
AT 28 MARCH 1999**

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## **DIRECTORS**

Mr M F Esmail  
Mrs S B Esmail

## **SECRETARY**

Mrs S B Esmail

## **REGISTERED OFFICE**

73 Queensborough Terrace  
Bayswater  
London W2 3SU

## **AUDITORS**

Kassim-Lakha Abdulla & Co  
Chartered Accountants  
KLACO House  
28-30 St. John's Square  
London  
EC1M 4DN

## **PRINCIPAL BANKERS**

Barclays Bank Plc.

## **HIGHRAK LIMITED**

### **AUDITORS' REPORT TO THE COMPANY PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated accounts on pages 3 to 5 together with the full financial statements of the company prepared under section 226 of the Companies Act 1985 for the year ended 28 March 1999.

#### **RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS**

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985 and whether the abbreviated accounts have been properly prepared in accordance with those provisions.

#### **BASIS OF OPINION**

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985 and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

#### **OPINION**

In our opinion, the company is entitled to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985 and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with those provisions.



**Kassim-Lakha Abdulla & Co**  
**Chartered Accountants**  
**Registered Auditor**  
**KLACO House**  
**28-30 St. John's Square**  
**London**  
**EC1M 4DN**

Date: 3 September 1999

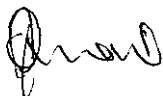
**HIGHRAK LIMITED****ABBREVIATED BALANCE SHEET  
AT 28 MARCH 1999**

	Notes	£	1999 £	£	1998 £
<b>FIXED ASSETS</b>	2				
Intangible assets			144,000		156,000
Tangible assets			1,744,045		1,747,120
			1,888,045		1,903,120
<b>CURRENT ASSETS</b>					
Stocks		962		843	
Debtors		27,154		9,508	
Cash at bank and in hand		1,573		23,151	
		29,689		33,502	
<b>CREDITORS: amounts falling due within one year</b>	3	(1,761,882)		(1,665,963)	
<b>NET CURRENT LIABILITIES</b>			(1,732,193)		(1,632,461)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			155,852		270,659
<b>CREDITORS: amounts falling due after more than one year</b>	4		(753,495)		(834,955)
<b>NET LIABILITIES</b>			(597,643)		(564,296)
<b>CAPITAL AND RESERVES</b>					
Called up share capital	5		100		100
Profit and loss account			(597,743)		(564,396)
<b>TOTAL SHAREHOLDERS' FUNDS</b>			(597,643)		(564,296)

The abbreviated 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).

Approved by the board of directors on 25.8.99 and signed on its behalf by the following directors:

Mr M F Esmail:



)

Mrs S B Esmail:



)

*The notes on pages 4 to 5 form part of these financial statements.*

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 MARCH 1999**

The financial statements have been prepared under the historical cost convention.

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

Goodwill is the difference between the amount paid on the acquisition of a business and the aggregate fair value of its separate net assets. Depending on the circumstances of each acquisition, goodwill is either set off directly against reserves or amortised through the profit and loss account over the directors' estimate of its estimated economic life.

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

Fixtures, fittings and equipment	7.5% on reducing balance
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Freehold buildings are depreciated to write down the cost less estimated residual value over their remaining useful life by equal annual instalments. Where buildings are maintained to such a standard that their residual value is not less than their cost or valuation, no depreciation is charged as it is not material

Stocks are stated at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

	Tangible assets	Tangible assets	Total
	£	£	£
<b>Cost:</b>			
At 30 March 1998	240,000	1,901,322	2,141,322
Additions	-	19,565	19,565
	<hr/>	<hr/>	<hr/>
At 28 March 1999	240,000	1,920,887	2,160,887
	<hr/>	<hr/>	<hr/>
<b>Depreciation:</b>			
At 30 March 1998	84,000	154,202	238,202
Charge for year	12,000	22,640	34,640
	<hr/>	<hr/>	<hr/>
At 28 March 1999	96,000	176,842	272,842
	<hr/>	<hr/>	<hr/>
<b>Net book value:</b>			
At 28 March 1999	144,000	1,744,045	1,888,045
	<hr/>	<hr/>	<hr/>
At 29 March 1998	156,000	1,747,120	1,903,120

## **HIGHRAK LIMITED**

### **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 MARCH 1999**

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**3. CREDITORS: amounts falling due within one year**

	<b>1999</b>	<b>1998</b>
	<b>£</b>	<b>£</b>
Secured creditors	<u>112,192</u>	<u>81,460</u>

Included in creditors are bank loans and overdrafts payable within one year amounting to £112,192 (1998 £81,460) which are secured.

**4. CREDITORS: amounts falling due after more than one year**

	<b>1999</b>	<b>1998</b>
	<b>£</b>	<b>£</b>
Secured creditors	<u>753,495</u>	<u>834,955</u>

**5. SHARE CAPITAL**

	<b>1999</b>	<b>1998</b>
	<b>£</b>	<b>£</b>
<b>Authorised:</b>		
<b>Equity interests:</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<b>Allotted, called up and fully paid:</b>		
<b>Equity interests:</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

**6. ULTIMATE PARENT COMPANY**

The ultimate parent company is SME Group Limited, a company registered in Great Britain.