

2449580

HIGGINS INVESTMENTS PLC
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2008

THURSDAY



A31

ADYJ24Z9

20/11/2008

COMPANIES HOUSE

112

HIGGINS INVESTMENTS PLC
INDEX TO THE REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2008

<u>CONTENTS</u>	<u>PAGE</u>
Directors and Corporate Information	2
Directors' Report	3
Directors' Responsibilities Statement	4
Auditors' Report	4 - 5
Profit and Loss Account	6
Notes of Historical Cost Profit	6
Balance Sheet	7
Notes to the Accounts	8 – 12
Notice of Meeting	13

HIGGINS INVESTMENTS PLC
DIRECTORS AND CORPORATE INFORMATION

DIRECTORS

R G Higgins ACIOB (Chairman)
S P Higgins
M J Higgins BA
C R Green FCA
P H Lewellen BSc FCA

SECRETARY

C R Green FCA

AUDITORS

KPMG LLP
8 Salisbury Square
London
EC4Y 8BB

BANKERS

HSBC Bank PLC
West End Corporate Banking Centre
2nd Floor, 70 Pall Mall
London SW1Y 5EZ

REGISTERED OFFICE

One Langston Road
Loughton
Essex IG10 3SD

REGISTERED NUMBER

2449580

HIGGINS INVESTMENTS PLC **DIRECTORS' REPORT**

The Directors hereby submit the Annual Report and Financial Statements for the year ended 31 July 2008

PRINCIPAL ACTIVITY

The principal activity of the Company during the period was the holding of investment property and receiving rental income acquisition and disposal of investment properties

REVIEW OF THE BUSINESS

The results for the year are shown in the Profit and Loss Account. During the period the Company continued to receive rent from tenants occupying space within their investment properties

The Directors continuously monitor the market and economic conditions investigating potential further investments or disposals to ensure high shareholder value is maintained. All decisions are made in the knowledge of the risks facing the Company which the Directors continue to monitor and manage

No dividends were paid in the year and the Directors do not recommend the payment of a final dividend (2007 £Nil)

DIRECTORS AND DIRECTORS' INTERESTS

The names of the Directors who held office throughout the year and at the date of this report, except where indicated, were as follows

R G Higgins
S P Higgins
M J Higgins
C R Green
P H Lewellen

R G Higgins, S P Higgins and M J Higgins are shareholders and Directors of the ultimate parent company Higgins Group PLC, and their interests in the shares of that company are disclosed in the accounts of the parent company. The other Directors had no beneficial interest in the shares of the Company or any other Group company in the year

AUDITORS

In accordance with Section 384 of the Companies Act 1985, a special resolution to appoint KPMG LLP as auditors of the Company is to be proposed at a forthcoming General Meeting

DISCLOSURE TO AUDITORS

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

BY ORDER OF THE BOARD

28th October 2008



.....
C R GREEN FCA
Company Secretary

HIGGINS INVESTMENTS PLC
DIRECTORS' RESPONSIBILITIES STATEMENT AND AUDITORS' REPORT
31 JULY 2008

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards. The financial statements are required by law to give a true and fair view of the state of affairs of the company and applicable law (UK Generally Accepted Accounting Practice) and of the profit or loss of the Company for that year.

In preparing these financial statements, the Directors are required to select suitable accounting policies and then apply them consistently, make judgments and estimates that are reasonable and prudent, state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and to prepare the financial statements 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 that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 1985. They 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. Under applicable law the Directors are also responsible for preparing a Directors' Report that complies with that law.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HIGGINS INVESTMENTS PLC

We have audited the financial statements of Higgins Investments PLC for the year ended 31 July 2008 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The Directors' responsibilities for preparing the Directors' Report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities above.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it.

Basis of audit opinion

We conducted our audit in accordance with International Standard on Auditing (UK and Ireland) 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.

HIGGINS INVESTMENTS PLC
DIRECTORS' RESPONSIBILITIES STATEMENT AND AUDITORS' REPORT
31 JULY 2008

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 July 2008 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements


.....

KPMG LLP

Chartered Accountants/Registered Auditor, London

28th October 2008

HIGGINS INVESTMENTS PLC
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 JULY 2008

	<u>Notes</u>	<u>2008</u> £	<u>2007</u> £
TURNOVER	2	580,293	571,233
Cost of sales		-	-
GROSS PROFIT		580,293	571,233
Administrative expenses		(20,248)	(24,650)
Profit on sale of tangible fixed assets		109,657	-
Interest payable	5	(257,726)	(267,565)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	411,976	279,018
Taxation on profit on ordinary activities	6	(88,872)	(75,775)
PROFIT FOR THE FINANCIAL YEAR	13	<u>323,104</u>	<u>203,243</u>

NOTE OF HISTORICAL COST PROFIT

	<u>2008</u> £	<u>2007</u> £
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	411,976	279,018
REALISATION OF PROPERTY REVALUATION GAINS OF PREVIOUS YEARS	177,422	-
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>589,398</u>	<u>279,018</u>
HISTORICAL COST PROFIT FOR THE YEAR RETAINED AFTER TAXATION AND DIVIDENDS	<u>500,526</u>	<u>203,243</u>

All gains and losses arising in the year have been recognised in the profit and loss account shown above

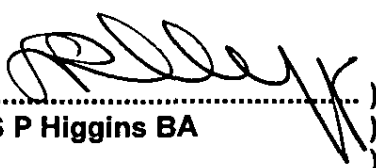
No activities were acquired or discontinued during the year


The notes on pages 8 to 12 form an integral part of these accounts

HIGGINS INVESTMENTS PLC
BALANCE SHEET
AT 31 JULY 2008

	<u>Notes</u>	2008		2007	
		£	£	£	£
FIXED ASSETS					
Tangible assets	7		7,300,000		7,165,000
Investments	8		100		100
			<u>7,300,100</u>		<u>7,165,100</u>
CURRENT ASSETS					
Stock	9	59,880		59,880	
Debtors	10	16,525		19,138	
Cash at bank and in hand		124,068		10,270	
		<u>200,473</u>		<u>89,288</u>	
CREDITORS:					
Amounts falling due within one year	11	(5,483,995)		(6,085,914)	
		<u></u>		<u></u>	
NET CURRENT LIABILITIES			(5,283,522)		(5,996,626)
			<u></u>		<u></u>
NET ASSETS			<u>2,016,578</u>		<u>1,168,474</u>
CAPITAL & RESERVES					
Called up share capital	12		12,500		12,500
Revaluation reserve	13		690,998		343,420
Profit and loss account	13		1,313,080		812,554
			<u></u>		<u></u>
EQUITY SHAREHOLDERS' FUNDS			<u>2,016,578</u>		<u>1,168,474</u>

These accounts were approved by the Board of Directors on 28th October 2008


.....
S P Higgins BA


.....
P H Lewellen BSc FCA

Directors

The notes on pages 8 to 12 form an integral part of these accounts

HIGGINS INVESTMENTS PLC
NOTES TO THE ACCOUNTS
31 JULY 2008

1 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements

a) Basis of Preparation

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of the long leasehold property, and in accordance with applicable accounting standards

The financial statements have been prepared on a going concern basis due to the continuing support of the Company by the ultimate parent company

b) Turnover

Turnover represents rental income from properties owned by the company

c) Tangible Fixed Assets and Depreciation

Investment properties are included in fixed assets at their latest valuation plus subsequent additions at cost. It is the policy of the Company to revalue freehold and leasehold properties at least every five years. Surpluses or deficits on revaluation are included in the revaluation reserve account. Provision for any impairment in the value of properties held as fixed assets is made in the profit and loss account.

d) Taxation

Corporation tax payable is provided on taxable profits at the current rate

Deferred taxation is provided on all timing differences that have originated but not reversed by the balance sheet date, except that

- i) deferred tax is not recognised on the revaluation of land and buildings unless there is a binding agreement to sell the revalued property and it is probable that any taxable gain arising on the sale will not be rolled over into the purchase of another asset,
- ii) deferred tax assets are recognised only to the extent that they are considered recoverable

e) Cash Flow Statement

Under Financial Reporting Standard ("FRS")1, the Company is exempt from the obligation to prepare a cash flow statement on the grounds that its ultimate parent company, Higgins Group PLC, prepares a consolidated cash flow statement, incorporating the cash flows of the Company

HIGGINS INVESTMENTS PLC
NOTES TO THE ACCOUNTS
31 JULY 2008

1 ACCOUNTING POLICIES (Continued)

e) Group Accounts

The Company is exempt from the obligation to prepare group accounts on the basis that the Company is a wholly owned subsidiary of Higgins Group PLC, a company registered in England and Wales

2 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Turnover and profit on ordinary activities before taxation are attributable entirely to property investments

All activity relates to work done in the United Kingdom

3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging

	<u>2008</u> £	<u>2007</u> £
Auditors' remuneration	<u>2,000</u>	<u>1,500</u>

4 STAFF COSTS

The Company had no employees apart from the Directors during the year. All of the Directors are remunerated by the ultimate parent company with no element of that remuneration attributable to the Company in the current year.

5 INTEREST PAYABLE

	<u>2008</u> £	<u>2007</u> £
Interest on bank loan	<u>257,726</u>	<u>267,565</u>

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

	<u>2008</u> £	<u>2007</u> £
<u>Analysis of charge in year</u>		
Corporation tax at 20 33% (2007 19%)	88,822	76,507
Adjustment in respect of previous years	50	(732)
	<u>88,872</u>	<u>75,775</u>

The Company is not aware of any factors that could materially affect the tax charge for the year or future tax charges

HIGGINS INVESTMENTS PLC
NOTES TO THE ACCOUNTS
31 JULY 2008

6 TAX ON PROFIT ON ORDINARY ACTIVITIES (Continued)

Factors affecting the tax charge for the current period

The current tax charge for the period is lower (2007 lower) than the standard rate of corporation tax in the UK of 29.33% (2007 30%). The differences are explained below

	<u>2008</u>	<u>2007</u>
Profit on ordinary activities before taxation	411,976	279,018
Current tax at 29.33% (2007 30%)	120,833	83,705
Effects of:		
Indexation Allowance	(27,511)	-
Accelerated Capital Allowances	-	(1,083)
Adjustment for small company rate @ 20.33% (2007 19.33%)	(4,500)	(6,115)
Adjustments to tax charge in respect of previous periods	50	(732)
Total current tax charge (see above)	<u>88,872</u>	<u>75,775</u>

7 TANGIBLE FIXED ASSETS

	Freehold Properties £	Leasehold Properties £	Total £
Cost of valuation at beginning of year	5,600,000	1,565,000	7,165,000
Disposals	(380,000)	-	(380,000)
Revaluation	325,000	190,000	515,000
At end of year	<u>5,545,000</u>	<u>1,755,000</u>	<u>7,300,000</u>

The following freehold properties were professionally valued by Chartered Surveyors, as at 31 July 2008, on an open market basis in compliance with RICS Statement of Asset Valuation Practice and Guidance Notes,

Name of Property	Valuation (£)	Name of Valuer
Charter House, High Street, Gt Dunmow	530,000	Kemsley Whiteley & Ferris
Connaught House, Loughton	3,270,000	Glenny LLP
Connaught Mews, Loughton	345,000	Glenny LLP
La Tasca, High Street, Brentwood	1,400,000	Savills (L&P) Limited

HIGGINS INVESTMENTS PLC
NOTES TO THE ACCOUNTS
31 JULY 2008

7 TANGIBLE FIXED ASSETS (Continued)

The historical cost of freehold properties is £5,457,302

The following leasehold properties were professionally valued by Chartered Surveyors, as at 31 July 2008, on an open market basis in compliance with RICS Statement of Asset Valuation Practice and Guidance Notes

Name of Property	Valuation (£)	Name of Valuer
Units 2 & 3 Lockside Marina, Chelmsford	255,000	Kemsley Whiteley & Ferris
Bassett Business Units, North Weald	1,500,000	Glenny LLP

The historical cost of leasehold properties is £1,221,580 (2007 £1,221,580)

8 FIXED ASSET INVESTMENTS

Fixed asset investments represent 100% of the allotted share capital of Bassett Business Units Limited at their nominal value. Bassett Business Units Limited (a company registered in England and Wales) is a property management and development company.

9 STOCK

	<u>2008</u> £	<u>2007</u> £
Residential properties	<u>59,880</u>	<u>59,880</u>

10 DEBTORS

	<u>2008</u> £	<u>2007</u> £
Trade debtors	8,896	11,806
Prepayments	7,086	6,763
Other debtors	543	569
	<u>16,525</u>	<u>19,138</u>

11 CREDITORS: Amounts Falling Due Within One Year

	<u>2008</u> £	<u>2007</u> £
Bank loans	4,000,000	4,000,000
Amounts owed to parent company	1,340,886	1,939,119
Accruals and deferred income	126,462	136,419
Corporation tax payable	10,167	9,500
Other taxes and social security	6,480	876
	<u>5,483,995</u>	<u>6,085,914</u>

HIGGINS INVESTMENTS PLC.
NOTES TO THE ACCOUNTS
31 JULY 2008

11 CREDITORS: Amounts Falling Due Within One Year (Continued)

The bank loan is secured by fixed charges on some of the Company's freehold and long leasehold properties and by a guarantee from Higgins Group PLC

12 CALLED UP SHARE CAPITAL

	<u>2008</u> £	<u>2007</u> £
<u>Authorised</u>		
50,000 ordinary shares of £1 00 each	<u>50,000</u>	<u>50,000</u>
<u>Allotted and fully paid</u>		
12,500 ordinary shares of £1 00 each	<u>12,500</u>	<u>12,500</u>

13 RESERVES

	<u>Revaluation</u> <u>Reserve</u> £	<u>Profit & Loss</u> <u>Account</u> £	<u>Total</u> £
At beginning of year	343,420	812,554	1,155,974
Profit for Financial Year	-	323,104	323,104
Realisation of revaluation reserve on sale of property	(177,422)	177,422	-
Revaluation in the year	525,000	-	525,000
At end of year	<u>690,998</u>	<u>1,313,080</u>	<u>2,004,078</u>

Shareholder's funds are attributable entirely to equity interests

14 ULTIMATE PARENT COMPANY

The ultimate parent company is Higgins Group PLC, registered in England and Wales. The ultimate parent company has undertaken to support the continuing operations of the Company

Copies of the financial statements of Higgins Group PLC and its subsidiary undertakings (which incorporate the results of this Company) can be obtained from the Company's registered office

HIGGINS INVESTMENTS PLC
NOTICE OF MEETING

Short notice, having been approved, is hereby given that the Annual General Meeting of Higgins Investments PLC will be held at One Langston Road, Loughton, Essex on 25th November 2008 at 11 10am to transact the following business

- 1 To receive and approve the Report and Accounts for the year ended 31 July 2008 and the reports of the Directors and Auditors thereon
- 2 To appoint KPMG LLP as auditors of the Company and to authorise the Directors to fix their remuneration
- 3 To transact any other business which may be transacted at an Annual General Meeting

BY ORDER OF THE BOARD



C R GREEN FCA
Company Secretary

28th October 2008

The Register of Directors and interests in the Company's shares are available for inspection at the Registered office of the Company during usual business hours (weekends and public holiday excepted) and at the meeting from 15 minutes prior to and during the meeting