Registration Number SC170708

Harwoods Cleaning Contractors Ltd

Abbreviated Accounts

for the year ended 31 December 1999



Auditors' Report to Harwoods Cleaning Contractors Ltd under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 3 to 6 together with the financial statements of Harwoods Cleaning Contractors Ltd for the year ended 31 December 1999. prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985 in respect of the year ended 31 December 1999, and the abbreviated accounts on pages 3 to 6 are properly prepared in accordance with those provisions.

Other information

On 31 October 2000 we reported as auditors of Harwoods Cleaning Contractors Ltd to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 December 1999 and our audit report was as follows:

'We have audited the financial statements on pages 4 to
10 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historic cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1 (see continuation page) 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 whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned 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.

Fundamental uncertainty
As indicated in the Going Concern Note, continuation of the companies activities is dependant on the financial support of the bank. The financial statements have been prepared on a going concern basis which assumes that the continued support of the bank will be forthcoming. Our opinion is not qualified in this respect.

Opinion
In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1999 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.'

Directors' Responsibilities
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the company and of the profit or loss of the company for that year. In preparing these the directors are required to :

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements based 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

D M Vaughan & Co Ltd

D M Vaughan & Co. Ltd.
Chartered Certified Accountants and
Registered Auditor

10 Gloucester Place
Edinburgh
EH3 6EF

31 October 2000

Abbreviated Balance Sheet
as at 31 December 1999

	Notes	1999 £	1999 £	1998 £	1998 £
Fixed Assets					
Intangible assets	2		18,000		24,000
Tangible assets	2		29,006		51,864
			47,006		75,864
Current Assets					
Stocks		7,454		3,619	
Debtors		152,028		124,811	
Cash at bank and in hand		1,093		888	
		160,575		129,318	
Creditors: amounts falling due within one year	3	(226,464)		(192,762)	
Net Current Liabilities			(65,889)		(63,444)
Total Assets Less Current Liabilities			(18,883)		12,420
Creditors: amounts falling due after more than one year			(2,227)		(6,680)
Net (Liabilities)/Assets			(21,110)		5,740
Capital and Reserves					
Called up share capital	4		2		2
Profit and loss account			(21,112)		5,738
Shareholders' Funds			(21,110)		5,740

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated accounts were approved by the Board on 31 October 2000 and signed on its behalf by

Marilynne White
Director

The notes on pages 4 to 6 form an integral part of these financial statements.

Notes to the Abbreviated Financial Statements for the year ended 31 December 1999

1. Accounting Policies

1.1. *Accounting convention*

The accounts are prepared under the historical cost convention.

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 1997, is being written off in equal annual instalments over its estimated useful economic life of 10 years.

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	25% on reducing balance
Motor vehicles	-	25% on reducing balance
Improve- ments to property	-	10% on straight line

1.5. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

1.6. *Stock and work in progress*

Stock and work in progress are valued at the lower of cost and net realisable value.

1.7. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

1.8. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

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2. Fixed assets

	Intangible assets £	Tangible fixed assets £	Total £
Cost			
At 1 January 1999	30,000	75,797	105,797
Additions	-	2,387	2,387
Disposals	-	(26,798)	(26,798)
At 31 December 1999	30,000	51,386	81,386
Depreciation and Provision for diminution in value			
At 1 January 1999	6,000	23,933	29,933
On disposals	-	(11,222)	(11,222)
Charge for year	6,000	9,669	15,669
At 31 December 1999	12,000	22,380	34,380
Net book values			
At 31 December 1999	18,000	29,006	47,006
At 31 December 1998	24,000	51,864	75,864

3. Creditors: amounts falling due within one year

	1999 £	1998 £
Creditors include the following:		
Secured creditors	(119,292)	(118,527)

4. Share capital

	1999 £	1998 £
Authorised		
1,000 Ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2

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5. Transactions with directors

The following directors had interest free loans during the year. The movements on these loans are as follows:

	Amount Owing		Maximum
	1999	1998	in year
	£	£	£
Marilynne White	8,350	-	8,350
George White	8,350	-	8,350

6. Going concern

At the Balance Sheet date the company had a deficiency of assets of (£21,112). The company meets its day to day working capital requirements through support from its bank overdraft. The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The validity of this assumption depends upon the companies bankers continuing their support by providing adequate overdraft facilities. If the company were unable to continue in operational existence for the foreseeable future, adjustments would have to be made to amend the balance sheet value of the assets to their recoverable amounts, to provide for further liabilities that might arise and reclassify fixed assets and long term liabilities as current assets and liabilities. The directors are taking steps to improve profitability they believe that the financial statements should be prepared on a going concern basis.