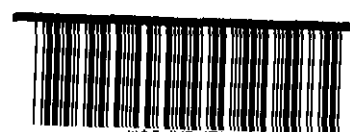


Reg.

REGISTERED NUMBER
3286143
England and Wales

BEECHVIEW HOLDINGS LIMITED
ANNUAL REPORT AND ACCOUNTS
31 DECEMBER 1999



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BEECH VIEW HOLDINGS LIMITED

FINANCIAL STATEMENTS - 31 DECEMBER 1999

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BEECH VIEW HOLDINGS LIMITED

GENERAL INFORMATION - 31 DECEMBER 1999

DIRECTORS

P M Slowe
Mrs A Slowe
J Pickering

SECRETARY

Mrs L Newman

REGISTERED OFFICE

Gerrard House
Station Road
East Preston
West Sussex
BN16 1AW

REGISTERED NUMBER 3286143

AUDITORS

Caroline A Vickery FCA
Allangate House
Station Road
Rustington
West Sussex
BN16 3BA

BEECH VIEW HOLDINGS LIMITED

REPORT OF THE DIRECTORS

The directors present their annual report and financial statements of the company for the year ended 31 December 1999.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was as a holding company.

DIRECTORS

The directors in office in the year and their beneficial interest in the company's issued share capital were as follows:

	31 December 1999		1 January 1999	
	5.5% Preference Shares	Ordinary Shares	5.5% Preference Shares	Ordinary Shares
P M Slowe	NIL	27,751	NIL	27,751
Mrs A Slowe	NIL	2	NIL	2
J Pickering - (appointed 26 April 1999)	13,000	NIL	NIL	NIL

The directors have no interest in the shares of any other group company, including rights to subscribe for shares.

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 affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

BEECH VIEW HOLDINGS LIMITED

REPORT OF THE DIRECTORS (CONTD)

AUDITORS

The auditors, Caroline A Vickery FCA, will be proposed for appointment in accordance with Section 385 of the Companies Act 1985.

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

Signed on behalf of the board of the director



P M SLOWE
Director

Approved by the Board: 8 September 2000

AUDITORS' REPORT TO THE SHAREHOLDERS OF

BEECH VIEW HOLDINGS LIMITED

We have audited the financial statements on pages 6 to 13 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and the accounting policies set out on page 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 3, 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 financial 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 included the 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 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 the company's affairs as at 31 December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Caroline A Vickery FCA

.....
CAROLINE A VICKERY FCA
Chartered Accountants and Registered Auditors

Allangate House
Station Road
Rustington
West Sussex

8 September 2000

BEECH VIEW HOLDINGS LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 1999**

	Notes	1999 £	1998 £
TURNOVER	2	68,500	55,000
Cost of sales		(NIL)	(NIL)
GROSS PROFIT		<u>68,500</u>	<u>55,000</u>
Administrative expenses		(67,609)	(52,497)
OPERATING PROFIT/(LOSS) on ordinary activities before taxation	3	<u>891</u>	<u>2,503</u>
TAXATION	4	NIL	NIL
PROFIT/(LOSS) for the financial year after taxation		<u>891</u>	<u>2,503</u>
DIVIDENDS paid or proposed		(565)	NIL
RETAINED PROFIT/(LOSS) for the financial year		<u>326</u>	<u>2,503</u>
RETAINED PROFIT/(LOSS) at 1 January 1999		62,015	59,512
RETAINED PROFIT/(LOSS) at 31 December 1999		<u>£62,341</u> =====	<u>£62,015</u> =====

BEECH VIEW HOLDINGS LIMITED**BALANCE SHEET
AS AT 31 DECEMBER 1999**

	Notes	1999 £	1998 £
FIXED ASSETS			
Tangible assets	5	23,696	28,544
Investments	6	70,425	70,350
		<u>94,121</u>	<u>98,894</u>
CURRENT ASSETS			
Debtors	7	45,199	12,156
Cash at bank and in hand		NIL	NIL
		<u>45,199</u>	<u>12,156</u>
CREDITORS: amounts falling due within one year	8	(5,585)	(8,458)
NET CURRENT ASSETS/(LIABILITIES)		39,614	3,698
CREDITORS: amounts falling due after more than one year	9	(6,392)	(4,575)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£127,343</u> =====	<u>£98,017</u> =====
CAPITAL AND RESERVES			
Called up share capital	10	65,002	36,002
Profit and loss account		62,341	62,015
		<u>£127,343</u> =====	<u>£98,017</u> =====

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities.

Signed on behalf of the board of the director



P M SLOWE

Director

Approved by the board:

8 September 2000

BEECH VIEW HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1999

1. ACCOUNTING POLICIES

Basis of accounting

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

Consolidation

The company and its subsidiaries comprise a small group. The company has therefore taken advantage of the exemption provided by section 248 of the Companies Act 1985 not to prepare group accounts.

Tangible fixed assets

Depreciation is provided, after taking account of any grants receivable, at the following annual rates in order to write off each asset over its estimated useful life:

Plant and machinery	- 25% on written down value
Motor vehicles	- 25% on written down value

Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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 a constant periodic rate of charge on the net obligation outstanding in each period.

Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement under the Financial Reporting Standard 1 'Cash flow statements'.

Turnover

Turnover represents net invoiced sales of goods and services excluding VAT.

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 directors, there is reasonable probability that the liability will not arise in the foreseeable future.

2. TURNOVER

Turnover attributable to geographical markets outside the United Kingdom amounted to NIL% (1998 - NIL%).

BEECH VIEW HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTD)- 31 DECEMBER 1999

3. OPERATING PROFIT

The operating profit is stated after charging:

	1999	1998
	£	£
Auditors' remuneration	400	400
Depreciation of tangible fixed assets		
- owned by the company	5,049	5,701
- held under finance leases	2,850	3,813
	=====	=====
Directors' emoluments -		
For services as directors	63,619	46,203
Other emoluments	NIL	NIL
	=====	=====

4. TAXATION

	1999	1998
	£	£
UK Corporation tax at 21/20% (1998 - 21%)	NIL	NIL
	=====	=====

BEECH VIEW HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTD)- 31 DECEMBER 1999

5. TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor Vehicles £	Total £
Cost			
At 1 January 1999	24,156	17,370	41,526
Additions	4,246	NIL	4,246
Disposals	NIL	(2,120)	(2,120)
At 31 December 1999	<u>28,402</u>	<u>15,250</u>	<u>43,652</u>
Depreciation			
At 1 January 1999	8,208	4,774	12,982
On disposals	NIL	(925)	(925)
Charge for year	5,049	2,850	7,899
At 31 December 1999	<u>13,257</u>	<u>6,699</u>	<u>19,956</u>
Net book values			
At 31 December 1999	£15,145	£8,551	£23,696
	=====	=====	=====
At 1 January 1999	£15,948	£12,596	£28,544
	=====	=====	=====

Included above are assets held under finance leases or hire purchase contracts amounting to £8,551 (1998 £11,401).

6. INVESTMENTS

	Subsidiary Undertakings £
Cost	
At 1 January 1999	70,350
Additions (see below)	75
At 31 December 1999	<u>£70,425</u>
	=====

BEECH VIEW HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTD)- 31 DECEMBER 1999

Subsidiary undertakings

The company's investment in its subsidiary company represents the cost of acquisition of the whole of the ordinary share capital of Teaching Abroad Limited, a company registered in England and Wales, which provides the arranging of facilities for English Teaching Abroad.

At 31 December 1999, the aggregate of the share capital and reserves of Teaching Abroad Limited amounted to £(43,981) (1998 £(81,667)) and the profit for the year to that date was £37,685 (1998 £(42,908)).

The company's investment in its subsidiary company represents the cost of acquisition of the whole of the ordinary share capital of Projects Abroad Limited, a company registered in England and Wales, which provides the arranging of facilities for English Teaching Assistance Abroad.

At 31 December 1999, the aggregate of the share capital and reserves of Projects Abroad Limited amounted to £36,856 (1998 £15,593) and the profit for the year to that date was £21,263 (1998 £(12,254)).

The addition in the year, is the company's investment in its subsidiary company representing the cost of acquisition of 75% of the ordinary share capital of Executive Developments Abroad Limited, a company registered in England and Wales, which provides training services overseas for young executives.

At 31 December 1999, the aggregate of the share capital and reserves of Executive Developments Abroad Limited amounted to £12,809 (1998 £NIL) and the loss for the year to that date was £12,266 (1998 £NIL).

7. DEBTORS

	1999	1998
	£	£
Amounts owed by group undertakings	45,199	12,156
Others	NIL	NIL
	<u>£45,199</u>	<u>£12,156</u>
	=====	=====

BEECH VIEW HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTD)- 31 DECEMBER 1999

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1999	1998
	£	£
Amounts owed to group undertakings	75	1,759
Net obligations under finance leases and hire purchase contracts	2,255	4,575
Other creditors	3,255	2,124
	<u>£5,585</u>	<u>£8,458</u>
	=====	=====

Included within other creditors is an amount of £2,610 (1998 £1,250) relating to social security and other taxes.

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1999	1998
	£	£
Net obligations under hire purchase contract	6,392	4,575
	=====	=====

10. CALLED UP SHARE CAPITAL

	1999	1998
	£	£
Authorised		
At 1 January 1999 - 100,000 ordinary shares of £1 each	100,000	100,000
Additional in year -		
100,000 ordinary shares of £1 each	100,000	NIL
100,000 5.5% convertible preference shares of £1 each	100,000	NIL
At 31 December 1999	<u>£300,000</u>	<u>£100,000</u>
	=====	=====
Allotted, called up and fully paid		
At 1 January 1999 - 36,002 ordinary shares of £1 each	36,002	36,002
Allotted in year -		
29,000 5.5% convertible preference shares of £1 each	29,000	NIL
At 31 December 1999	<u>£65,002</u>	<u>£36,002</u>
	=====	=====

During the year, 29,000 5.5% convertible preference shares of £1 each were issued fully paid for cash for £1 each. The preference shares are redeemable on 30 April 2004 at par at the option of the company or are convertible at the rate of 1 ordinary share for 8 preference shares.

BEECH VIEW HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTD)- 31 DECEMBER 1999

11. POST BALANCE SHEET EVENTS

Subsequent to the year end, Beech View Holdings Limited acquired a further 25% of the shares of Executive Developments Abroad Limited at par.

12. RELATED PARTIES

The controlling party is P Slowe by virtue of his ownership of the majority of the issued ordinary share capital in the company.