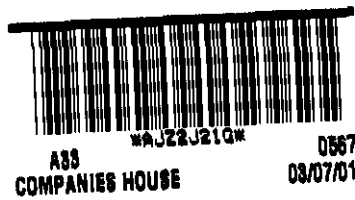


Company No: 00463581

EDWARD SPEELMAN LIMITED

Year Ended 31 March 2000

Financial Statements



DIRECTORS REPORT

The director submits his report and financial statements for the Year Ended 31 March 2000.

PRINCIPAL ACTIVITY

The principal activity of the company is that of dealers in quality Old Master paintings.

RESULTS AND DIVIDENDS

Details of the results for the year are shown in the profit and loss account and the related notes. The director does not propose any dividends for the year.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The results for the year show a profit of £513,954. The company continues to suffer from prevailing economic problems arising from the lack of suitable paintings in the market.

DIRECTORS

The director who has served in the year together with his interest in the Ordinary Share Capital of the company are as follows:-

	31 March 2000	31 March 1999
A.A.Speelman	39,600	39,600

FIXED ASSETS

Movements in fixed assets during the year are set out on page 6.

DIRECTOR'S RESPONSIBILITIES FOR THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. In preparing those accounts the directors are required to:-

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the accounts;
- prepare the accounts 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 accounts comply with the Companies Act. 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.

By Order of the Board



S.E.Reeves
Secretary

12 June 2001

PROFIT AND LOSS ACCOUNT
Year Ended 31 March 2000

	Note	Year Ended 31 March 2000		Year Ended 31 March 1999	
		£	£	£	£
TURNOVER			739,309		299,651
Cost of Sales			(20,656)		(5,861)
GROSS PROFIT			718,653		293,790
Distribution costs		959		166	
Administration costs		211,016		219,770	
			(211,975)		(219,936)
Operating Profit/Loss			506,677		73,854
Interest Receivable	2		11,096		-
Interest Payable	3		(3,819)		(7,201)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAX	4		513,954		66,653
TAX	6		(72,001)		-
AMOUNT TRANSFERRED TO RESERVES			441,953		66,653

Recognised Gains and Losses

There were no recognised gains or losses other than the profit attributable to shareholders of the company of £441,953 in the Year Ended 31 March 2000 and a profit of £66,653 in the year ended 31 March 1999.

BALANCE SHEET
31 March 2000

	Note	31 March 2000		31 March 1999	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	7		16		391
CURRENT ASSETS					
Stock	1	76,666		94,944	
Debtors	8	82,828		154,885	
Cash at hand & in bank		509,192		756	
		668,686		250,585	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	9	(109,471)		(133,698)	
NET CURRENT LIABILITIES			559,215		116,887
TOTAL ASSETS LESS LIABILITIES			559,231		117,278
CAPITAL AND RESERVES					
Called up Share Capital	10		40,000		40,000
Reserves	11		519,231		77,278
			559,231		117,278

For the Year Ended 31 March 2000 the director has taken advantage of exemption under Subsection 1 of Section 249A of the Companies Act 1985. No notice has been deposited under Section 249B(2) in relation to the accounts for the financial year. The director acknowledges responsibility for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year in accordance with the requirements of Section 226 of this Act, and which otherwise comply with the requirements of this Act relating to accounts insofar as applicable to this company.



A A Speelman
Director

12 June 2001

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2000

1. ACCOUNTING POLICIES**BASIS OF ACCOUNTING**

The financial statements are prepared under the historic cost convention and in accordance with Applicable Accounting Standards.

TRANSLATION OF FOREIGN CURRENCY

Transactions denominated in foreign currency are translated into sterling using the average exchange rate for the year. Foreign currency balances at the year end are translated using the exchange rate ruling at the balance sheet date.

STOCKS

Stocks are stated at the lower of cost and net realisable value in accordance with the assessment of the director.

DEPRECIATION

Depreciation has been charged on assets on the straight line method calculated to write down the assets to their residual value over their estimated useful lives, at the following rates:

Leasehold property	over the lease period
Studio & Library	25%
Office furniture & equipment	10%

DEFERRED TAX

Provision is made for deferred tax under the liability method in respect of timing differences on accelerated capital allowances except where the liability is considered unlikely to arise in the foreseeable future.

2. INTEREST RECEIVABLE

	31 March 2000	31 March 1999
	£	£
On bank deposits	11,096	-
	=====	=====

3. INTEREST PAYABLE

	31 March 2000	31 March 1999
	£	£
On bank overdrafts	3,819	7,201
	=====	=====

4. STAFF COSTS

	31 March 2000	31 March 1999
	£	£
Wages & salaries	46,500	53,560
Social security costs	4,860	4,805
	-----	-----
	51,360	58,365
	=====	=====

5. PROFIT/LOSS ON ORDINARY ACTIVITIES BEFORE TAX

	31 March 2000	31 March 1999
	£	£
Is stated after charging:		
Depreciation	375	202
Auditor's remuneration	2,500	2,500
Director's remuneration	30,000	30,000
	=====	=====

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2000

6. TAX			31 March 2000	31 March 1999
			£	£
Corporation Tax @ 20%			72,001	-
			=====	=====
7. FIXED ASSETS	Leasehold Property £	Furniture & Equipment £	Library & Studios £	Total £
COST				
At 1 April 1999 and 31 March 2000	1,407	45,586	33,382	80,375
	=====	=====	=====	=====
DEPRECIATION				
At 1 April 1999	1,395	45,210	33,379	79,984
Charge for the year	-	375	-	375
	-----	-----	-----	-----
At 31 March 2000	1,395	45,585	33,379	80,359
	=====	=====	=====	=====
NET BOOK VALUE				
At 31 March 2000	12	1	3	16
	=====	=====	=====	=====
At 31 March 1999	12	376	3	391
	=====	=====	=====	=====
8. DEBTORS			31 March 2000	31 March 1999
Amounts falling due within one year:			£	£
Trade debtors			-	74,994
Other taxes & social security			61,986	46,760
Prepayments			20,842	33,131
			-----	-----
			82,828	154,885
			=====	=====
9. CREDITORS			31 March 2000	31 March 1999
Amounts falling due within one year:			£	£
Bank overdraft (secured)			-	106,880
Corporation Tax			72,001	-
Other taxes & social security			4,357	-
Directors' current accounts			5,947	5,918
Accruals			27,166	20,900
			-----	-----
			109,471	133,698
			=====	=====
10. CALLED UP SHARE CAPITAL			31 March 2000	31 March 1999
Authorised			£	£
80,000 Ordinary Shares of £1 each			80,000	80,000
			=====	=====
Allotted, called up and fully paid:				
40,000 Ordinary Shares of £1 each			40,000	40,000
			=====	=====

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2000

11. RESERVES

	31 March 2000 £	31 March 1999 £
Profit attributable to members	441,953	66,653
Opening Shareholders funds	77,278	10,625
	<u>-----</u>	<u>-----</u>
Closing Shareholders funds	519,231	77,278
	<u>=====</u>	<u>=====</u>

12. RECONCILIATION OF OPERATING PROFIT TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31 March 2000 £	31 March 1999 £
Operating (loss)/profit	513,954	66,653
Depreciation	375	202
Purchase of fixed assets	-	500
(Increase)/decrease in stock	18,278	-
(Increase)/decrease in debtors	72,056	94,946
Increase/(decrease) in creditors	10,652	1,600
	<u>-----</u>	<u>-----</u>
	615,315	163,901
	<u>=====</u>	<u>=====</u>

13. CLOSE COMPANY

The company is a close company within the provisions of the Income and Corporation Taxes Act 1988.