

JOHN JEFFERY (AUCTIONEERS) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

30 JUNE 1997

Registered number: 2027216



JOHN JEFFERY (AUCTIONEERS) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

for the year ended 30 June 1997

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JOHN JEFFERY (AUCTIONEERS) LIMITED**Auditors' report to
John Jeffery (Auctioneers) Limited
under section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements set out on pages 2 to 6, together with the financial statements of the company for the year ended 30 June 1997 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements 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 financial statements and that the abbreviated financial statements to be delivered are properly prepared. 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.

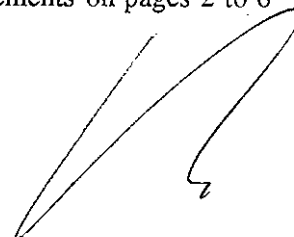
Fundamental uncertainty

In forming our opinion, we have considered the adequacy of the disclosures made in the financial statements concerning the ability of the Company to continue as a going concern. The financial statements have been prepared on a going concern basis, the validity of which depends upon the outcome of the application for planning permission linked to the disposal of the leasehold property mentioned in notes 1a and 2b. The financial statements do not include any adjustments that would result from a failure in the plans for the property disposal. Our opinion is not qualified in this respect.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 6 are properly prepared in accordance with those provisions.

Dean Park House
8-10 Dean Park Crescent
Bournemouth
Dorset
BH1 1JF



Willis Parsons
Registered Auditors

20 April 1998

JOHN JEFFERY (AUCTIONEERS) LIMITED

ABBREVIATED BALANCE SHEET

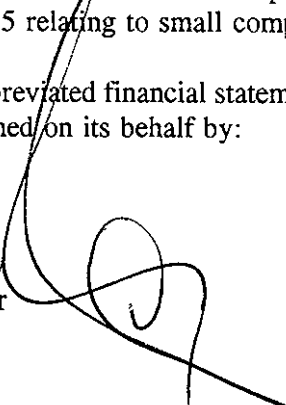
at 30 June 1997

	Note	1997		1996	
		£	£	£	£
Fixed assets					
Intangible assets	2		-		758
Tangible assets	2		878,792		876,366
Investments	2		12,382		12,382
			<u>891,174</u>		<u>889,506</u>
Current assets					
Debtors	3	445,707		578,878	
Cash at bank and in hand		<u>42,534</u>		<u>24,068</u>	
		488,241		602,946	
Creditors: amounts falling due within one year		<u>(786,702)</u>		<u>(836,039)</u>	
Net current liabilities			<u>(298,461)</u>		<u>(233,093)</u>
Total assets less current liabilities			592,713		656,413
Creditors: amounts falling due after more than one year	4		(39,362)		(49,379)
Provision for liabilities and charges			<u>(207,985)</u>		<u>(212,108)</u>
			<u>345,366</u>		<u>394,926</u>
Capital and reserves					
Called up share capital	5		76,000		76,000
Revaluation reserve			533,851		518,936
Profit and loss account			<u>(264,485)</u>		<u>(200,011)</u>
Total shareholders' funds			<u>345,366</u>		<u>394,925</u>

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated financial statements on pages 2 to 6 were approved by the board of directors on 20 April 1998 and signed on its behalf by:

J Bundy
Director



JOHN JEFFERY (AUCTIONEERS) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 June 1997

1A Fundamental accounting concept

The financial statements have been prepared on a going concern basis despite the excess of current liabilities over current assets. This basis has been adopted on the assumption of continued support by the Company's Directors and Bankers, especially in connection with Note 2b pending the outcome of the negotiations regarding the sale of the leasehold property and the ongoing support in the meantime.

1B Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Leasehold land and buildings	not depreciated
Computer	5 Years straight line
Motor vehicles	25% reducing balance basis
Fixtures and fittings	10% reducing balance basis
Goodwill	10 Years straight line

The company has not depreciated its leasehold land and buildings during the year as, in the opinion of the directors, the market value is at least equal to the value shown in the accounts. This is a departure from Statement of Standard Accounting Practice 12.

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Pensions**Defined contribution scheme**

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Exemption from consolidation

The company has taken advantage of the exemption not to produce consolidated Accounts on the grounds that the group it heads is a small sized group.

JOHN JEFFERY (AUCTIONEERS) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 June 1997

2 Fixed assets

a)	Intangible fixed assets £	Tangible fixed assets £	Fixed asset investments £	Total £
Cost or valuation				
1 July 1996	15,150	931,387	27,381	973,918
Additions	-	24,626	-	24,626
Disposals	-	(13,796)	-	(13,796)
	<u>15,150</u>	<u>942,217</u>	<u>27,381</u>	<u>984,748</u>
30 June 1997	15,150	942,217	27,381	984,748
Depreciation				
1 July 1996	14,392	55,021	14,999	84,412
Charge for year	758	17,330	-	18,088
Disposals	-	(8,926)	-	(8,926)
	<u>15,150</u>	<u>63,425</u>	<u>14,999</u>	<u>93,574</u>
30 June 1997	15,150	63,425	14,999	93,574
Net book amount				
30 June 1997	<u>-</u>	<u>878,792</u>	<u>12,382</u>	<u>891,174</u>
1 July 1996	<u>758</u>	<u>876,366</u>	<u>12,382</u>	<u>889,506</u>

- b) The Leasehold property at Shaftesbury Cattle Market was revalued to £812,500 at 30 June 1995 to fairly represent its current market value as a result of negotiations which, subject to planning permission for redevelopment being obtained by the purchasers, will enable the Company to sell the site for a minimum of £812,500.

c) Participating Interests

The company holds 49% of the ordinary share capital of John Jeffery Agricultural Limited, a company which is incorporated in England and Wales. The relevant accounting period was the year ended 31 December 1996.

	Net Assets £	Profit for the period after taxation £
John Jeffery Agricultural Limited	<u>4,357</u>	<u>862</u>

JOHN JEFFERY (AUCTIONEERS) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 June 1997

d) **Subsidiary Undertakings**

The company holds 50% of the ordinary share capital of George Creasey Agricultural Limited, a company which is incorporated in England and Wales. The principal activity of the subsidiary company is that of land and rural property Agents, Valuers and Surveyors.

	Net Liabilities £	(Loss)for the year after taxation £
George Creasey Agricultural Limited	<u>(32,399)</u>	<u>10,792</u>

The company was allotted 50,000 5% non-cumulative redeemable preference shares in this subsidiary on 31 March 1998. The shares are non-voting shares (Note 6).

3 **Debtors**

	1997 £	1996 £
Amounts falling due after more than one year		
Amount owed by group undertakings	<u>50,000</u>	<u>50,000</u>

The debt of £50,000 was converted into shares in a subsidiary company on 31 March 1998 (Note 6).

4 **Creditors:**

The Bank Loan and Overdraft are secured by a legal mortgage over leasehold premises and a mortgage debenture over the Company's assets. The Bank Loan is repayable by January 2002 and bears interest at 2% above Bank base rates.

5 **Called up share capital**

	1997		1996	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	32,500	32,500	32,500	32,500
Non-equity shares				
Preference shares of £1 each	<u>67,500</u>	<u>67,500</u>	<u>67,500</u>	<u>67,500</u>
		<u>100,000</u>		<u>100,000</u>
Allotted called up and fully paid				
Ordinary shares of £1 each	8,500	8,500	8,500	8,500
Preference shares of £1 each	<u>67,500</u>	<u>67,500</u>	<u>67,500</u>	<u>67,500</u>
		<u>76,000</u>		<u>76,000</u>

The preference shares are non-voting, non-cumulative shares, but in all other respects have the same rights as ordinary shares.

JOHN JEFFERY (AUCTIONEERS) LIMITED**NOTES ON ABBREVIATED FINANCIAL STATEMENTS****30 June 1997****6 Post Balance Sheet Event**

On 31 March 1998 the authorised share capital of the company's subsidiary, George Creasey Agricultural Limited, was increased by 50,000 5% Non-cumulative Redeemable Preference Shares of £1 each. All 50,000 shares were issued fully paid up, at par, to the company in exchange for the redemption of the £50,000 loan to its subsidiary, which is included in Debtors at 30 June 1997 (Note 3).