

COPY FOR REGISTRAR



JOHN JEFFERY (AUCTIONEERS) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

30 JUNE 1998

Registered number: 2027216



JOHN JEFFERY (AUCTIONEERS) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

for the year ended 30 June 1998

CONTENTS

	Page
Auditors' report	1
Abbreviated balance sheet	2
Notes on abbreviated financial statements	3 - 5

JOHN JEFFERY (AUCTIONEERS) LIMITED**AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS**

**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 1998 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 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 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 5 are properly prepared in accordance with those provisions.

Other information

On 11 February 1999 we reported as auditors to the members of the company on the financial statements prepared under section 226 of the Companies Act 1985 and our report was as follows:

'We have audited the financial statements on pages 5 to 17 which have been prepared 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 statements and to report our opinion to you.

continued

JOHN JEFFERY (AUCTIONEERS) LIMITED**AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS**
(continued)

Auditors' report to
John Jeffery (Auctioneers) Limited
under section 247B of the Companies Act 1985

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 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 error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Going concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 1a of the financial statements concerning the continuation of the company's bank overdraft facility. In view of the significance of this matter we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

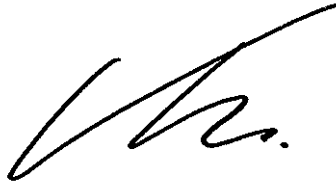
Fundamental uncertainty

In forming our opinion, we have considered the adequacy of the disclosures made in the financial statements concerning the revaluation attributed to the company's leasehold property. As set out in note 10 this property is valued on the basis that planning permission for redevelopment of the site can be obtained. Without such permission the value of the property would be significantly reduced. The financial statements do not include any adjustments that would result from the failure to obtain planning permission. 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 30 June 1998 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

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



Willis Parsons
Registered Auditors

11 February 1999

JOHN JEFFERY (AUCTIONEERS) LIMITED

ABBREVIATED BALANCE SHEET

at 30 June 1998

	Note	£	1998 £	£	1997 £
Fixed assets					
Tangible assets	2		890,232		878,792
Investments	2		12,383		12,382
			<u>902,615</u>		<u>891,174</u>
Current assets					
Debtors	3	520,677		445,707	
Cash at bank and in hand		31,712		42,534	
		<u>552,389</u>		<u>488,241</u>	
Creditors: amounts falling due within one year		<u>(986,285)</u>		<u>(786,702)</u>	
Net current liabilities			<u>(433,896)</u>		<u>(298,461)</u>
Total assets less current liabilities			<u>468,719</u>		<u>592,713</u>
Creditors: amounts falling due after more than one year	4		(22,906)		(39,362)
Provision for liabilities and charges			<u>(139,715)</u>		<u>(207,985)</u>
			<u>306,098</u>		<u>345,366</u>
Capital and reserves					
Called up share capital	5	76,000		76,000	
Revaluation reserve		533,851		533,851	
Profit and loss account		(303,753)		(264,485)	
Total shareholders' funds			<u>306,098</u>		<u>345,366</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 5 were approved by the board of directors on 11 February 1999 and signed on its behalf by:

J Bundy
Director

JOHN JEFFERY (AUCTIONEERS) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 June 1998

1 Accounting policies**1a Basis of preparing the financial statements**

The company meets its day to day working capital requirements through an overdraft facility which is repayable on demand. The previously agreed facility expired in October 1998 and no new facility has been formally granted. The company continues to utilise its previous facility and the directors expect to operate within such limit on the basis that it will remain available to them. The company has an excess of current liabilities over current assets and without the continued overdraft facility would not be able to meet its liabilities as they fall due.

The financial statements have been prepared on a going concern basis assuming the continued support of the company's bank and do not include any adjustment that could result from a withdrawal or reduction of the overdraft facility.

1b 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 as conferred by Financial Reporting Standard No. 1 (Revised 1996) 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.

Intangible fixed assets

Goodwill represents the difference between the fair value of the consideration paid on acquisition of a business and the fair value of its separable net assets at the date of acquisition. Goodwill is amortised over its estimated useful life of 10 Years straight line.

Tangible fixed assets

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

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

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.

Rentals paid under operating leases are charged to income as incurred.

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.

JOHN JEFFERY (AUCTIONEERS) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 June 1998

Accounting policies continued**Investments**

Fixed asset investments are stated at cost less provision for any permanent diminution in value.

Exemption from consolidation

The Company has taken advantage of the exemption conferred by Section 248 of the Companies Act 1985 on the grounds that the group it heads is a small group.

2 Fixed assets

a)	Intangible fixed assets £	Tangible fixed assets £	Fixed asset investments £	Total £
Cost or valuation				
1 July 1997	15,150	942,217	77,380	1,034,747
Additions	-	29,972	50,000	79,972
Disposals	-	(8,390)	-	(8,390)
	<u>15,150</u>	<u>963,799</u>	<u>127,380</u>	<u>1,106,329</u>
30 June 1998	15,150	963,799	127,380	1,106,329
Depreciation				
1 July 1997	15,150	63,425	14,999	93,574
Charge for year	27,766	16,790	-	44,556
Disposals	-	(6,648)	-	(6,648)
	<u>15,150</u>	<u>73,567</u>	<u>114,997</u>	<u>203,714</u>
30 June 1998	15,150	73,567	114,997	203,714
Net book amount				
30 June 1998	<u>-</u>	<u>890,232</u>	<u>12,383</u>	<u>902,615</u>
1 July 1997	<u>-</u>	<u>878,792</u>	<u>12,382</u>	<u>891,174</u>

- b) The Leasehold property at Shaftesbury Cattle Market was revalued to £812,500 at 30 June 1995 to 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 1998.

Net Assets £	Profit for the period after taxation £
<u>4,079</u>	<u>2,072</u>

JOHN JEFFERY (AUCTIONEERS) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 June 1998

d) **Subsidiary Undertakings**

The company holds 50% of the ordinary share capital of George Creasy 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 Assets	Profit for the year after taxation
£	£
19,819	2,217

The company was allotted 50,000 5% non-cumulative redeemable preference shares in this subsidiary on 31 March 1998.

3 **Debtors**

	1998 £	1997 £
Amounts falling due after more than one year	-	50,000

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**

	1998		1997	
	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	67,500	67,500	67,500	67,500
		100,000		100,000
Allotted called up and fully paid				
Ordinary shares of £1 each	8,500	8,500	8,500	8,500
Non-equity shares				
Preference Shares of £1 each	67,500	67,500	67,500	67,500
		76,000		76,000

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 1998****6 Transactions with Directors**

The bank overdraft is personally guaranteed as follows:

Director	£
M C Vesey	21,000
J Bundy	21,000
P Pollard (resigned 16/4/98)	5,000
S Whaley	20,000