

BURNET WARE & GRAVES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2000



BURNET WARE & GRAVES LIMITED

DIRECTORS AND ANCILLARIES

COMPANY NUMBER: 2498513

DIRECTORS: M.J.Graves B.Sc.(Est.Man.), F.R.I.C.S.
G.G.Bristow F.R.I.C.S.

SECRETARY: M.J.Graves B.Sc.(Est.Man.), F.R.I.C.S.

REGISTERED OFFICE: Survey House,
Brockley Rise,
London, SE23 1LL.

BANKERS: Barclays Bank PLC
117 Dulwich Village,
Dulwich,
London, SE21 7BL.

AUDITORS: PRB Martin Pollins
Chartered Accountants
and Registered Auditors
4-5 Bridge Road Business Park,
Bridge Road,
Haywards Heath,
West Sussex, RH16 1TX.

BURNET WARE & GRAVES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2000

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BURNET WARE & GRAVES LIMITED**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST MAY 2000**

The Directors present their Annual Report on the affairs of the Company together with the Financial Statements and Auditors' Report for the year.

1. PRINCIPAL ACTIVITY

The Company's principal activity is that of Chartered Surveyors, Valuers and Estate Agents.

2. RESULTS AND DIVIDENDS

The Profit of the Company for the year was £94,193 (£116,206 before Tax). The Directors recommend that this be added to the retained earnings and that the balance of £170,114 be carried forward. The Directors do not recommend the payment of a dividend.

3. REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The Directors are satisfied with the current performance of the business and are of the opinion that the current level of activity will continue for the foreseeable future.

4. DIRECTORS

The Directors of the Company during the year and their beneficial interests in the issued share capital of the Company at the beginning and end of the year were as follows:

	Ordinary Shares of £1 each	
	2000	1999
M.J.Graves	14,000	14,000
G.G.Bristow	14,000	14,000
K.B.Bignold (resigned 19.10.99)	-	14,000

BY ORDER OF THE BOARD



M.J.Graves
Secretary

BURNET WARE & GRAVES LIMITED**STATEMENT OF DIRECTORS RESPONSIBILITIES
FOR THE YEAR ENDED 31ST MAY 2000**

The Directors are required by the Companies Act 1985 to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for the financial year.

The Directors consider that in preparing the Financial Statements on pages 4 to 11, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The Directors have responsibility for ensuring that the Company keeps accounting records, which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the Financial Statements comply with the Companies Act 1985.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

**REPORT OF THE AUDITORS
TO THE MEMBERS OF BURNET WARE & GRAVES LIMITED
FOR THE YEAR ENDED 31ST MAY 2000**

We have audited the Financial Statements on pages 4 to 11, which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

As described on page 2, the Company's Directors are responsible for the preparation of the 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 includes 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 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 and performed our audit so as to obtain all the information and explanations we considered necessary in order to provide us with sufficient evidence and 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 at 31st May 2000 and of its Profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PRB Martin Pollins

PRB MARTIN POLLINS

Chartered Accountants and Registered Auditors

Date: 5/12/00

BURNET WARE & GRAVES LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MAY 2000**

	Notes	2000 £	1999 £
TURNOVER	2	1,369,660	1,221,033
Administrative Expenses		(1,252,065)	(1,152,246)
OPERATING PROFIT	3	117,595	68,787
Other Interest Receivable and Similar Income		3,186	3,332
Interest Payable and Similar Charges	4	(4,575)	(5,093)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		116,206	67,026
Tax on Ordinary Activities	7	(22,013)	(14,980)
RETAINED PROFIT FOR THE YEAR		<u>£ 94,193</u>	<u>£ 52,046</u>

STATEMENT OF RETAINED EARNINGS

Retained Profit for the Year	94,193	52,046
Retained Profit Brought Forward	134,881	82,835
Purchase of Own Equity Shares	(58,960)	-
RETAINED PROFIT CARRIED FORWARD	<u>£ 170,114</u>	<u>£ 134,881</u>

None of the Company's activities were acquired or discontinued during the above two financial years.

Other than the Profit for the year, there were no recognised gains or losses.

The notes on pages 6 to 11 form part of these Financial Statements

BURNET WARE & GRAVES LIMITED

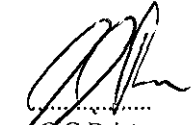
5.

**BALANCE SHEET
AS AT 31ST MAY 2000**

	Notes	2000	1999
		£	£
FIXED ASSETS			
Intangible Assets	8	-	-
Tangible Assets	8	136,305	103,069
		<u>136,305</u>	<u>103,069</u>
CURRENT ASSETS			
Stock and Work-in-Progress	9	24,441	22,085
Debtors	10	227,423	252,868
Cash at Bank and in Hand		131,746	98,813
		<u>383,610</u>	<u>373,766</u>
CREDITORS			
Amounts falling due within one year	11	(302,529)	(299,954)
		<u>81,081</u>	<u>73,812</u>
NET CURRENT ASSETS			
		<u>217,386</u>	<u>176,881</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS			
Amounts falling due after more than one year	11	(5,272)	-
		<u>212,114</u>	<u>176,881</u>
CLIENTS ACCOUNT			
Clients Bank Account Balances		241,821	144,640
Less : Clients Ledger Balances		(241,821)	(144,640)
		<u>£ 212,114</u>	<u>£ 176,881</u>
CAPITAL AND RESERVES			
Share Capital	12	28,000	42,000
Capital Redemption Reserve	13	14,000	-
Profit and Loss Account		170,114	134,881
SHAREHOLDERS FUNDS	14	<u>£ 212,114</u>	<u>£ 176,881</u>

These Financial Statements were approved by the Board of Directors on 4/12/00 and were signed by :


M.J. Graves


G.G. Bristow

The notes on pages 6 to 11 form part of these Financial Statements

BURNET WARE & GRAVES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2000

1. ACCOUNTING POLICIES

Accounting Convention

The Financial Statements have been prepared under the historical cost convention.

Cash Flow Statement

The Company qualifies as a small company under the Companies Act 1985. The Directors have elected to take advantage of the exemption under FRS 1 not to prepare a Cash Flow Statement.

Turnover

Turnover is the net amount receivable for work done and services provided excluding Value Added Tax.

Depreciation

Depreciation is calculated to write down the cost of tangible fixed assets over their expected useful lives, at the following annual rates :

Leases and Expenditure on	
Leasehold Property	Amortised over period of Leases
Motor Vehicles	25% reducing balance basis
Office Equipment	15% reducing balance basis
Fixtures and Fittings	15% reducing balance basis

Goodwill

Goodwill is amortised on a straight-line basis over its estimated useful economic life of 5 years.

Stock & Work-in-Progress

Stock & Work-in-Progress is valued by the Directors at the lower of cost and net realisable value.

Hire Purchase

Assets held under Hire Purchase contracts are included in Fixed Assets at cost. The assets are depreciated over their estimated useful lives. Hire Purchase Interest is charged to Profit and Loss Account as incurred.

Deferred Taxation

Provision is made for deferred taxation to the extent that there is a reasonable probability of the tax falling due for payment in the foreseeable future. Material amounts of tax not provided for are disclosed as a contingent liability.

Pension Scheme

The Company operates a defined contribution pension scheme for the Directors under which contributions are administered by Trustees in a fund independent from the Company's assets. Pension contributions are charged to profit and loss account when paid and pension benefits are determined by the value of the accumulated funds in the scheme.

2. TURNOVER

The turnover and Profit before taxation are attributable to the Company's principal activity, namely that of Chartered Surveyors, Valuers, and Estate Agents.

BURNET WARE & GRAVES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2000

3. OPERATING PROFIT

The Operating Profit is stated after charging :

	2000 £	1999 £
Amounts written off Tangible Assets	34,976	35,010
Amounts written off Intangible Assets	-	1,523
Hire of Equipment	3,835	3,563
Vehicle Leasing	29,461	21,785
Auditors Remuneration	12,000	11,950
	<u> </u>	<u> </u>

4. INTEREST PAYABLE

	2000 £	1999 £
Loan Interest	2,659	2,180
Hire Purchase Interest	1,916	2,750
Bank Interest	-	163
	<u> </u>	<u> </u>
	4,575	5,093
	<u> </u>	<u> </u>

All Interest arises in respect of Loans wholly repayable within 5 years.

5. STAFF COSTS

	2000 £	1999 £
Salaries and Wages	701,141	664,311
Social Security Costs	75,843	65,733
Other Pension Costs	61,670	16,970
Staff Welfare	4,164	7,464
	<u> </u>	<u> </u>
	842,818	754,478
	<u> </u>	<u> </u>

The average monthly number of employees during the year, including Directors, was 32 (1999: 32).

BURNET WARE & GRAVES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2000

6. DIRECTORS' REMUNERATION

	2000 £	1999 £
Fees for Services as Directors	120,000	128,617
Pension Premiums	61,670	16,970
Benefits in kind	26,018	32,787
	<u>207,688</u>	<u>178,374</u>

Benefits in kind included above for the year are based on the figures for the year ended 5th April 2000.

The number of Directors in the defined contribution pension scheme during the year was 2 (1999 - 3).

7. TAXATION

The tax charge on the Profit on Ordinary Activities comprised:

	2000 £	1999 £
Corporation Tax at 20%	22,013	16,324
Over Provision re Earlier Years	-	(1,344)
	<u>22,013</u>	<u>14,980</u>

8. FIXED ASSETS

Intangible Assets (Goodwill)

	2000 £	1999 £
Cost to date	13,050	13,050
Amortisation to date	<u>(13,050)</u>	<u>(13,050)</u>
Net Book Value as at 31st May 2000	<u>Nil</u>	<u>Nil</u>

BURNET WARE & GRAVES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2000

8. FIXED ASSETS

Tangible Assets

	Motor Vehicles	Office Equipment	Fixtures & Fittings	Leasehold Property & Improvements	TOTAL
	£	£	£	£	£
COST					
At 1st June 1999	103,457	46,854	59,030	49,685	259,026
Disposals in year	(70,242)	-	-	-	(70,242)
Additions in year	76,126	27,158	6,528	-	109,812
At 31st May 2000	<u>109,341</u>	<u>74,012</u>	<u>65,558</u>	<u>49,685</u>	<u>298,596</u>
DEPRECIATION					
At 1st June 1999	55,538	27,534	34,526	38,359	155,957
Write Off On Disposal	(27,848)	-	-	-	(27,848)
Charge for year	20,413	6,972	4,654	2,143	34,182
At 31st May 2000	<u>48,103</u>	<u>34,506</u>	<u>39,180</u>	<u>40,502</u>	<u>162,291</u>
NET BOOK VALUE					
At 31st May 2000	<u>61,238</u>	<u>39,506</u>	<u>26,378</u>	<u>9,183</u>	<u>136,305</u>
At 31st May 1999	<u>47,919</u>	<u>19,320</u>	<u>24,504</u>	<u>11,326</u>	<u>103,069</u>

Details of tangible Fixed Assets subject to Hire Purchase agreements are as follows:

	Motor Vehicles	
	2000 £	1999 £
Cost	76,126	66,492
Accumulated Depreciation	<u>19,032</u>	<u>24,474</u>
Net Book Value as at 31st May 2000	<u>57,094</u>	<u>42,018</u>

BURNET WARE & GRAVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2000

9. STOCKS AND WORK-IN-PROGRESS

	2000 £	1999 £
Stocks	2,040	1,925
Work-in-Progress	22,401	20,160
	<u>24,441</u>	<u>22,085</u>

10. DEBTORS

	2000 £	1999 £
Amounts falling due within one year		
Trade Debtors	194,114	219,426
Other Debtors	-	4,645
Prepayments	33,309	28,797
	<u>227,423</u>	<u>252,868</u>

11. CREDITORS

	2000 £	1999 £
Amounts falling due within one year		
Trade Creditors	28,607	25,030
Corporation Tax	22,013	16,324
Other Taxation & Social Security Costs	68,504	81,200
Hire Purchase Liability	17,941	7,994
Directors' Loan Accounts	24,805	70,952
Other Creditors	106,853	76,624
Accruals and Deferred Income	33,806	21,830
	<u>302,529</u>	<u>299,954</u>
Amounts falling due after more than one year		
Hire Purchase Liability	<u>5,272</u>	<u>-</u>

12. CALLED UP SHARE CAPITAL

Ordinary Shares of £1 each

	2000 £	1999 £
Authorised	<u>100,000</u>	<u>100,000</u>
Allotted, Issued and Fully Paid :		
Balance as at 1st June 1999	42,000	42,000
Purchase of Own Equity Shares	(14,000)	-
Balance as at 31st May 2000	<u>28,000</u>	<u>42,000</u>

BURNET WARE & GRAVES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2000

13. CAPITAL REDEMPTION RESERVE

During the year, the Company purchased £14,000 of its own Equity Share Capital from a former Director.

14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

	2000 £	1999 £
Opening Shareholders Funds	176,881	124,835
Net Profit for the Year	94,193	52,046
Purchase of Own Equity Shares	(58,960)	-
Closing Shareholders Funds	<u>212,114</u>	<u>176,881</u>

15. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The Company had no liabilities under this heading at 31st May 2000 or 31st May 1999.

16. LEASE AND HIRE PURCHASE COMMITMENTS

The Company is committed to the following expenditure in the next year, relating to Operating Leases and Hire Purchase, which expire in the following time spans:

	Hire Purchase & Equipment Leases		Property Leases	
	2000 £	1999 £	2000 £	1999 £
Less than one year	<u>8,529</u>	<u>8,708</u>	<u>-</u>	<u>-</u>
Between two and five years	<u>38,872</u>	<u>30,582</u>	<u>3,000</u>	<u>9,500</u>
In more than five years	<u>-</u>	<u>-</u>	<u>32,660</u>	<u>24,660</u>

17. RELATED PARTY TRANSACTIONS

During the year, the Company paid the following amounts to related parties:

- a. Rent of £8,660 to a Company in which M.J.Graves had a controlling interest.
- b. Rent of £16,000 to a Pension Fund in which the only members are the Directors and former Directors of Burnet Ware & Graves Limited.
- c. Management Fees of £4,200 to a firm, the sole proprietor of whom is Mrs K.L.Graves, the wife of M.J.Graves.

18. RE-APPOINTMENT OF AUDITORS

The Company is excluded from the need to re-elect the Auditors of the Company, pursuant to an Elective Resolution dated 10th December 1990 in accordance with Section 386 of the Companies Act 1985.