

BURNET WARE & GRAVES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MAY 2001



Company Registration Number 2498513

PRB MARTIN POLLINS
Chartered Accountants & 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 2001

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BURNET WARE & GRAVES LIMITED**THE DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST MAY 2001**

The Directors have pleasure in presenting their Report and the Financial Statements of the Company for the year ended 31st May 2001.

PRINCIPAL ACTIVITIES

The principal activity of the Company during the year was that of Chartered Surveyors, Valuers and Estate Agents.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The Directors who served the Company during the year together with their beneficial interests in the shares of the Company were as follows:

	Ordinary Shares of £1 each	
	At 31.5.01	At 1.6.00
M.J Graves	14,000	14,000
G.G Bristow	<u>14,000</u>	<u>14,000</u>

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those Financial Statements, the Directors are required to select suitable accounting policies, as described on page 6, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The Directors must also 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. The Directors 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.

BURNET WARE & GRAVES LIMITED

THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MAY 2001 *(continued)*

SMALL COMPANY PROVISIONS

This Report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered Office:

Survey House
Brockley Rise
London
SE23 1LL

Signed by order of the Directors



M.J. GRAVES
Company Secretary

Approved by the Directors on *6th December 2001*

BURNET WARE & GRAVES LIMITED**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
FOR THE YEAR ENDED 31ST MAY 2001**

We have audited the Financial Statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 1, the Company's Directors are responsible for the preparation of the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility to audit the Financial Statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the Financial Statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' report is not consistent with the Financial Statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the Company is not disclosed.

We read the Directors' Report and consider the implications for our Report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom 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 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 31st May 2001 and of the Profit of the Company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

4/5 Bridge Road Business Park
Bridge Road
Haywards Heath
West Sussex
RH16 1TX

Dated.....11/12/01.....


PRB MARTIN POLLINS
Chartered Accountants
& Registered Auditors

BURNET WARE & GRAVES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MAY 2001

	Note	2001 £	2000 £
TURNOVER		1,497,835	1,369,660
Administrative Expenses		(1,438,913)	(1,252,065)
Other Operating Income		596	-
OPERATING PROFIT	2	59,518	117,595
Interest Receivable		7,662	3,186
Interest Payable	4	(6,194)	(4,575)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		60,986	116,206
Tax on Profit on Ordinary Activities	5	(14,685)	(22,013)
RETAINED PROFIT FOR THE FINANCIAL YEAR		46,301	94,193
Balance Brought Forward		170,114	134,881
Purchase of Own Equity Shares		-	(58,960)
Balance Carried Forward		216,415	170,114

The Company has no recognised gains or losses other than the results for the year as set out above.

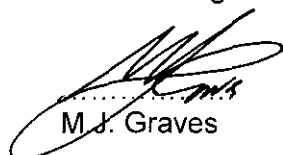
All of the activities of the Company are classed as continuing.

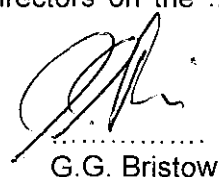
BURNET WARE & GRAVES LIMITED**BALANCE SHEET
AS AT 31ST MAY 2001**

	Note	2001	2000
		£	£
FIXED ASSETS			
Intangible Assets	6	-	-
Tangible Assets	7	<u>124,735</u>	<u>136,305</u>
		124,735	136,305
CURRENT ASSETS			
Stocks and Work in Progress		32,945	24,441
Debtors	8	<u>245,971</u>	<u>227,423</u>
Cash at Bank and in Hand		<u>182,008</u>	<u>131,746</u>
		460,924	383,610
CREDITORS: Amounts falling due within one year	9	<u>(315,848)</u>	<u>(302,529)</u>
NET CURRENT ASSETS		145,076	81,081
TOTAL ASSETS LESS CURRENT LIABILITIES		269,811	217,386
CREDITORS: Amounts falling due after more than one year	10	<u>(11,396)</u>	<u>(5,272)</u>
		258,415	212,114
CLIENTS ACCOUNT			
Clients Bank Account Balances		314,839	241,821
Less : Clients Ledger Balances		<u>(314,839)</u>	<u>(241,821)</u>
		-	-
		258,415	212,114
CAPITAL AND RESERVES			
Called-up Equity Share Capital	11	28,000	28,000
Capital Redemption Reserve		14,000	14,000
Profit and Loss Account		<u>216,415</u>	<u>170,114</u>
SHAREHOLDERS' FUNDS	12	258,415	212,114

These Financial Statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These Financial Statements were approved by the Directors on the 6th December 2001, and were signed by:


M.J. Graves


G.G. Bristow

BURNET WARE & GRAVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MAY 2001

1. ACCOUNTING POLICIES

Basis of Accounting

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

Turnover

The Turnover shown in the Profit and Loss Account represents amounts receivable for services provided during the year, exclusive of Value Added Tax.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 5 years on straight-line basis

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leases and Expenditure

on Leasehold Property	- Over Period of Leases
Fixtures & Fittings	- 15% reducing balance basis
Motor Vehicles	- 25% reducing balance basis
Office Equipment	- 25% reducing balance basis (Comparatives at 15% reducing balance basis)

Stocks and Work in Progress

Stocks and Work in Progress are valued at the lower of cost and net realisable value.

Hire Purchase

Assets held under Hire Purchase agreements are capitalised and disclosed under Tangible Fixed Assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight-line basis.

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 benefits are determined by the value of the accumulated funds in the scheme.

BURNET WARE & GRAVES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2001****2. OPERATING PROFIT**

Operating Profit is stated after charging:

	2001 £	2000 £
Directors' Remuneration	145,000	120,000
Remuneration to Former Director	65,602	-
Depreciation	37,192	34,182
Loss on Disposal of Fixed Assets	6,965	794
Auditors' Fees	12,000	12,000
Operating Lease Costs:		
Land and Buildings	37,991	35,485
Motor Vehicles	36,773	29,461

3. DIRECTORS' PENSION SCHEMES

The number of directors who are accruing benefits under company pension schemes were as follows:

	2001 No.	2000 No.
	2	2

4. INTEREST PAYABLE

	2001 £	2000 £
Finance Charges	3,400	1,916
Other Interest	2,794	2,659
	6,194	4,575

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

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2001 £	2000 £
Corporation Tax based on the results for the year at 20% (2000 - 20%)	14,685	22,013

BURNET WARE & GRAVES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2001****6. INTANGIBLE FIXED ASSETS**

	Goodwill £
COST	
At 1st June 2000 and 31st May 2001	<u>13,050</u>
AMORTISATION	
At 1st June 2000 and At 31st May 2001	<u>13,050</u>
NET BOOK VALUE	
At 31st May 2001	<u>-</u>
At 31st May 2000	<u>-</u>

7. TANGIBLE FIXED ASSETS

	Leasehold Property £	Fixtures & Fittings £	Motor Vehicles £	Office Equipment £	Total £
COST					
At 1st June 2000	49,685	65,558	109,341	74,012	298,596
Additions	-	3,007	43,750	8,331	55,088
Disposals	-	-	(46,818)	-	(46,818)
At 31st May 2001	<u>49,685</u>	<u>68,565</u>	<u>106,273</u>	<u>82,343</u>	<u>306,866</u>
DEPRECIATION					
At 1st June 2000	40,502	39,180	48,103	34,506	162,291
Charge for the Year	1,945	4,407	18,881	11,959	37,192
On Disposals	-	-	(17,352)	-	(17,352)
At 31st May 2001	<u>42,447</u>	<u>43,587</u>	<u>49,632</u>	<u>46,465</u>	<u>182,131</u>
NET BOOK VALUE					
At 31 May 2001	<u>7,238</u>	<u>24,978</u>	<u>56,641</u>	<u>35,878</u>	<u>124,735</u>
At 31 May 2000	<u>9,183</u>	<u>26,378</u>	<u>61,238</u>	<u>39,506</u>	<u>136,305</u>

Hire Purchase Agreements

Included within the net book value of £124,735 is £54,186 (2000 - £57,094) relating to assets held under Hire Purchase Agreements. The Depreciation charged to the Financial Statements in the year in respect of such assets amounted to £18,062 (2000 - £19,032).

BURNET WARE & GRAVES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2001****8. DEBTORS**

	2001 £	2000 £
Trade Debtors	204,886	194,114
Other Debtors	824	-
Prepayments and Accrued Income	40,261	33,309
	<u>245,971</u>	<u>227,423</u>

9. CREDITORS: Amounts falling due within one year

	2001 £	2000 £
Trade Creditors	24,932	28,607
Hire Purchase	15,800	17,941
Other Creditors including Taxation:		
Corporation Tax	14,685	22,013
PAYE and Social Security	54,703	31,972
VAT	44,385	36,532
Directors' Loan Accounts	24,805	24,805
Other Creditors	<u>117,049</u>	<u>106,853</u>
	255,627	222,175
Accruals and Deferred Income	19,489	33,806
	<u>315,848</u>	<u>302,529</u>

10. CREDITORS: Amounts falling due after more than one year

	2001 £	2000 £
Hire Purchase	<u>11,396</u>	<u>5,272</u>

11. SHARE CAPITAL**Authorised Share Capital:**

	2001 £	2000 £
100,000 Ordinary shares of £1.00 each	<u>100,000</u>	<u>100,000</u>

Allotted, Called Up and Fully Paid:

	2001 £	2000 £
Ordinary Share Capital Brought Forward	28,000	42,000
Purchase of Own Equity Shares	-	(14,000)
	<u>28,000</u>	<u>(28,000)</u>

BURNET WARE & GRAVES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2001****12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2001 £	2000 £
Profit for the Financial Year	46,301	94,193
Purchase of Own Equity Shares	-	(58,960)
Net Addition to Funds	46,301	35,233
Opening Shareholders' Equity Funds	212,114	176,881
Closing Shareholders' Equity Funds	<u>258,415</u>	<u>212,114</u>

13. RELATED PARTY TRANSACTIONS

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

- a. Rent of £8,660 (2000 - £8,660) to a company in which M.J. Graves had a controlling interest.
- b. Rent of £16,000 (2000 - £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 (2000 - £4,200) to a firm, the sole proprietor of which is Mrs K.L. Graves, the wife of M.J. Graves.
- d. Professional Fees of £3,150 (2000 - £Nil) to the sister of M.J. Graves.