

BURNET WARE & GRAVES LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002

Company Registration Number 2498513



BURNET WARE & GRAVES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002

CONTENTS	PAGE
The Directors' Report	1 - 2
Independent Auditors' Report to the Shareholders	3
Profit and Loss Account	4
Balance Sheet	5
Notes to the Financial Statements	6 - 10

BURNET WARE & GRAVES LIMITED

THE DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MAY 2002

The Directors have pleasure in presenting their Report and the Financial Statements of the Company for the year ended 31st May 2002.

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 31.5.02	At 1.6.01
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.

AUDITORS

A resolution to re-appoint PRB Martin Pollins as Auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

BURNET WARE & GRAVES LIMITED

THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MAY 2002 *(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 26.2.03

BURNET WARE & GRAVES LIMITED**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
FOR THE YEAR ENDED 31ST MAY 2002**

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. This Report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors' responsibilities for preparing the Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities on pages 2 to 101.

Our responsibility is 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.

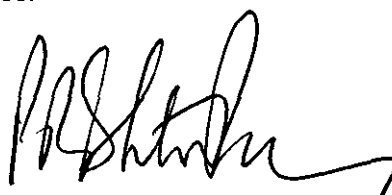
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or other irregularity 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 2002 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... 14/03/03



PRB MARTIN POLLINS
Chartered Accountants
& Registered Auditors

BURNET WARE & GRAVES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MAY 2002

	Note	2002 £	2001 £
TURNOVER		1,472,431	1,497,835
Administrative Expenses		(1,358,839)	(1,438,913)
Other Operating Income		275	596
OPERATING PROFIT	2	113,867	59,518
Interest Receivable		8,383	7,662
Interest Payable	4	(4,983)	(6,194)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		117,267	60,986
Tax on Profit on Ordinary Activities	5	(24,259)	(14,685)
RETAINED PROFIT FOR THE FINANCIAL YEAR		93,008	46,301
Balance Brought Forward		216,415	170,114
Balance Carried Forward		309,423	216,415

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 2002**

	Note	2002		2001	
		£	£	£	£
FIXED ASSETS					
Intangible Assets	6		-		-
Tangible Assets	7		126,802		124,735
			126,802		124,735
CURRENT ASSETS					
Stocks and Work in Progress		40,552		32,945	
Debtors	8	301,745		245,971	
Cash at Bank and in Hand		209,682		182,008	
		551,979		460,924	
CREDITORS: Amounts falling due within one year	9	(327,358)		(315,848)	
NET CURRENT ASSETS			224,621		145,076
TOTAL ASSETS LESS CURRENT LIABILITIES			351,423		269,811
CREDITORS: Amounts falling due after more than one year	10		-		(11,396)
			351,423		258,415
CLIENTS ACCOUNT					
Clients Bank Account Balances		328,973		314,839	
Less : Clients Ledger Balances		(328,973)		(314,839)	
			-		-
			351,423		258,415
CAPITAL AND RESERVES					
Called-up Equity Share Capital	11	28,000		28,000	
Capital Redemption Reserve		14,000		14,000	
Profit and Loss Account		309,423		216,415	
SHAREHOLDERS' FUNDS	12	351,423		258,415	

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 26.2.03,
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 2002

1. ACCOUNTING POLICIES

Basis of Accounting

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

Cash Flow Statement

The Directors have taken advantage of the exemption in Financial Reporting Standard No. 1 (revised) from including a Cash Flow Statement in the Financial Statements on the grounds that the Company is small.

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

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 2002****2. OPERATING PROFIT**

Operating Profit is stated after charging:

	2002	2001
	£	£
Directors' Remuneration	154,167	145,000
Remuneration to Former Director	28,671	65,602
Depreciation	35,691	37,192
Loss on Disposal of Fixed Assets	777	6,965
Auditors' Fees	12,000	12,000
Operating Lease Costs:		
Land and Buildings	38,565	37,991
Motor Vehicles	45,588	36,773

3. DIRECTORS' PENSION SCHEMES

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

2002	2001
No.	No.
<u>2</u>	<u>2</u>

4. INTEREST PAYABLE

	2002	2001
	£	£
Finance Charges	1,965	3,400
Other Interest	3,018	2,794
	<u>4,983</u>	<u>6,194</u>

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

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2002	2001
	£	£
Corporation Tax based on the results for the year at 19.83% (2001 - 20%)	<u>24,259</u>	<u>14,685</u>

BURNET WARE & GRAVES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002

6. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1st June 2001 and 31st May 2002	<u>13,050</u>
AMORTISATION	
At 1st June 2001 and At 31st May 2002	<u>13,050</u>
NET BOOK VALUE	
At 31st May 2002	<u>-</u>
At 31st May 2001	<u>-</u>

7. TANGIBLE FIXED ASSETS

	Leasehold Property £	Fixtures & Fittings £	Motor Vehicles £	Office Equipment £	Total £
COST					
At 1st June 2001	49,685	68,565	106,273	82,343	306,866
Additions	-	12,614	36,857	9,064	58,535
Disposals	-	-	(45,598)	-	(45,598)
At 31st May 2002	<u>49,685</u>	<u>81,179</u>	<u>97,532</u>	<u>91,407</u>	<u>319,803</u>
DEPRECIATION					
At 1st June 2001	42,447	43,587	49,632	46,465	182,131
Charge for the Year	1,924	5,638	16,894	11,235	35,691
On Disposals	-	-	(24,821)	-	(24,821)
At 31st May 2002	<u>44,371</u>	<u>49,225</u>	<u>41,705</u>	<u>57,700</u>	<u>193,001</u>
NET BOOK VALUE					
At 31 May 2002	<u>5,314</u>	<u>31,954</u>	<u>55,827</u>	<u>33,707</u>	<u>126,802</u>
At 31 May 2001	<u>7,238</u>	<u>24,978</u>	<u>56,641</u>	<u>35,878</u>	<u>124,735</u>

Hire Purchase Agreements

Included within the net book value of £126,802 is £54,556 (2001 - £54,186) 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 £16,471 (2001 - £18,062).

BURNET WARE & GRAVES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002

8. DEBTORS

	2002 £	2001 £
Trade Debtors	255,454	204,886
Other Debtors	2,092	824
Prepayments and Accrued Income	44,199	40,261
	<u>301,745</u>	<u>245,971</u>

9. CREDITORS: Amounts falling due within one year

	2002 £	2001 £
Trade Creditors	42,180	24,932
Hire Purchase	21,003	15,800
Other Creditors including Taxation:		
Corporation Tax	24,259	14,685
PAYE and Social Security	37,897	54,703
VAT	50,661	44,385
Directors' Loan Accounts	-	24,805
Other Creditors	<u>127,827</u>	<u>117,049</u>
	240,644	255,627
Accruals and Deferred Income	23,531	19,489
	<u>327,358</u>	<u>315,848</u>

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

	2002 £	2001 £
Hire Purchase	-	11,396

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

	2002 £	2001 £
100,000 Ordinary shares of £1.00 each	<u>100,000</u>	<u>100,000</u>

Allotted, Called Up and Fully Paid:

	2002 £	2001 £
Ordinary Share Capital Brought Forward	<u>28,000</u>	<u>28,000</u>

BURNET WARE & GRAVES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002****12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2002 £	2001 £
Profit for the Financial Year	93,009	46,301
Net Addition to Funds	93,008	46,301
Opening Shareholders' Equity Funds	258,415	212,114
Closing Shareholders' Equity Funds	<u>351,423</u>	<u>258,415</u>

13. RELATED PARTY TRANSACTIONS

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

- a. Rent of £8,660 (2001 - £8,660) to a company in which M.J. Graves had a controlling interest.
- b. Rent of £16,000 (2001 - £16,000) to a Pension Fund in which the only members are the Directors and a Former Director of Burnet Ware & Graves Limited.
- c. Management Fees of £4,200 (2001 - £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 £4,200 (2001 - £3,150) to the sister of M.J. Graves.

14. 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	
	2002 £	2001 £	2002 £	2001 £
Less than one year	29,504	25,922	-	-
Between two and five years	48,761	45,105	4,250	4,250
In more than five years	-	-	39,260	32,660