

BURNET WARE & GRAVES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2003

Company Registration Number 2498513



BURNET WARE & GRAVES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2003

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BURNET WARE & GRAVES LIMITED

THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31ST MAY 2003

The Director has pleasure in presenting his Report and the Financial Statements of the Company for the year ended 31st May 2003.

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 31.5.03	At 1.6.02
M.J. Graves	14,000	14,000
G.G. Bristow (resigned 10.6.03)	<u>14,000</u>	<u>14,000</u>

Subject to the approval of the Inland Revenue, the Company has agreed to purchase the shares in the Company held by G.G. Bristow.

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 2003** *(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 Director

A handwritten signature in black ink, appearing to read 'K.L. Graves', with a long horizontal line extending from the end of the signature.

K.L.GRAVES
Company Secretary

BURNET WARE & GRAVES LIMITED**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
FOR THE YEAR ENDED 31ST MAY 2003**

We have audited the Financial Statements on pages 4 to 10 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), 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 DIRECTOR AND THE AUDITORS

The Director's 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 page 1.

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 Director's 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 Director's 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 2003 and of the loss 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 26.3.04


PRB MARTIN POLLINS
Chartered Accountants
& Registered Auditors

BURNET WARE & GRAVES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MAY 2003

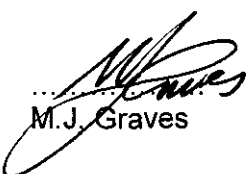
	Note	2003 £	2002 £
TURNOVER		1,256,077	1,472,431
Administrative Expenses		(1,465,878)	(1,358,839)
Other Operating Income		50,275	275
OPERATING (LOSS)/PROFIT	2	(159,526)	113,867
Interest Receivable		5,519	8,383
Interest Payable		(5,316)	(4,983)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(159,323)	117,267
Tax on (Loss)/Profit on Ordinary Activities	3	24,259	(24,259)
RETAINED (LOSS)/PROFIT FOR THE FINANCIAL YEAR		(135,064)	93,008
Balance Brought Forward		309,423	216,415
Balance Carried Forward		174,359	309,423

BURNET WARE & GRAVES LIMITED**BALANCE SHEET
AS AT 31ST MAY 2003**

	Note	2003	2002
		£	£
FIXED ASSETS			
Intangible Assets	4	-	-
Tangible Assets	5	<u>124,042</u>	<u>126,802</u>
		124,042	126,802
CURRENT ASSETS			
Stocks and Work in Progress		29,618	40,552
Debtors	6	228,756	301,745
Cash at Bank and in Hand		<u>140,996</u>	<u>209,682</u>
		399,370	551,979
CREDITORS: Amounts falling due within one year	7	<u>(298,554)</u>	<u>(327,358)</u>
NET CURRENT ASSETS		100,816	224,621
TOTAL ASSETS LESS CURRENT LIABILITIES		224,858	351,423
CREDITORS: Amounts falling due after more than one year	8	<u>(8,499)</u>	<u>-</u>
		216,359	351,423
CLIENTS ACCOUNT			
Clients Bank Account Balances		342,400	328,973
Less : Clients Ledger Balances		<u>(342,400)</u>	<u>(328,973)</u>
		-	-
		216,359	351,423
CAPITAL AND RESERVES			
Called-up Equity Share Capital	9	28,000	28,000
Capital Redemption Reserve		14,000	14,000
Profit and Loss Account		<u>174,359</u>	<u>309,423</u>
SHAREHOLDERS' FUNDS		216,359	351,423

These Financial Statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These Financial Statements were approved by the Director on the 24th March 2004


M.J. Graves

The notes on pages 6 to 10 form part of these financial statements.

BURNET WARE & GRAVES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2003****1. ACCOUNTING POLICIES****Basis of Accounting**

The Financial Statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

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
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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 2003****2. OPERATING (LOSS)/PROFIT**

Operating (Loss)/Profit is stated after charging:

	2003	2002
	£	£
Directors' Remuneration	194,600	154,167
Remuneration to Former Director	8,118	28,671
Depreciation	37,029	35,691
Loss on Disposal of Fixed Assets	1,266	777
Auditors' Fees	10,500	12,000
Operating Lease Costs:		
Land and Buildings	44,993	38,565
Motor Vehicles	46,519	45,588

3. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

	2003	2002
	£	£
Current Tax:		
Corporation Tax (credit)/charge based on the results for the year (2002 – 19.83%)	(24,259)	24,259

4. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
At 1st June 2002 and 31st May 2003	13,050
AMORTISATION	
At 1st June 2002 and 31st May 2003	13,050
NET BOOK VALUE	
At 31st May 2003	-
At 31st May 2002	-

BURNET WARE & GRAVES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2003****5. TANGIBLE FIXED ASSETS**

	Leasehold Property £	Fixtures & Fittings £	Motor Vehicles £	Office Equipment £	Total £
COST					
At 1st June 2002	49,685	81,179	97,532	91,407	319,803
Additions	-	479	-	35,061	35,540
Disposals	-	-	(16,925)	-	(16,925)
At 31st May 2003	49,685	81,658	80,607	126,468	338,418
DEPRECIATION					
At 1st June 2002	44,371	49,225	41,705	57,700	193,001
Charge for the Year	1,333	4,865	13,639	17,192	37,029
On Disposals	-	-	(15,654)	-	(15,654)
At 31st May 2003	45,704	54,090	39,690	74,892	214,376
NET BOOK VALUE					
At 31 May 2003	3,981	27,568	40,917	51,576	124,042
At 31 May 2002	5,314	31,954	55,827	33,707	126,802

Hire Purchase Agreements

Included within the net book value of £124,042 is £57,915 (2002 - £54,556) 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 £19,305 (2002 - £16,471).

6. DEBTORS

	2003 £	2002 £
Trade Debtors	149,085	255,454
Other Debtors	1,179	2,092
Corporation Tax Recoverable	24,259	-
Prepayments and Accrued Income	54,233	44,199
	228,756	301,745

BURNET WARE & GRAVES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2003****7. CREDITORS: Amounts falling due within one year**

	2003	2002
	£	£
Trade Creditors	35,733	42,180
Hire Purchase	10,199	21,003
Other Creditors including Taxation:		
Corporation Tax	-	24,259
PAYE and Social Security	36,873	37,897
VAT	21,719	50,661
Other Creditors	166,866	127,827
	<u>225,458</u>	<u>240,644</u>
Accruals and Deferred Income	27,164	23,531
	<u>298,554</u>	<u>327,358</u>

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

	2003	2002
	£	£
Hire Purchase	<u>8,499</u>	<u>-</u>

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

	2003	2002
	£	£
100,000 Ordinary shares of £1.00 each	<u>100,000</u>	<u>100,000</u>

Allotted, Called Up and Fully Paid:

	2003	2002
	£	£
Ordinary Share Capital Brought Forward	<u>28,000</u>	<u>28,000</u>

10. RELATED PARTY TRANSACTIONS

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

- Rent of £13,260 (2002 - £8,660) to a company in which M.J. Graves had a controlling interest.
- Rent of £18,000 (2002 - £16,000) to a Pension Fund in which the only members are the Director and Former Directors of Burnet Ware & Graves Limited.
- Management Fees of £9,150 (2002 - £4,200) to a firm, the sole proprietor of which is Mrs K.L. Graves, the wife of M.J. Graves.
- Professional Fees of £Nil (2002 - £4,200) to the sister of M.J. Graves.

BURNET WARE & GRAVES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2003****11. 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	
	2003 £	2002 £	2003 £	2002 £
Less than one year	<u>51,891</u>	<u>29,504</u>	<u>-</u>	<u>-</u>
Between two and five years	<u>31,899</u>	<u>48,761</u>	<u>-</u>	<u>4,250</u>
In more than five years	<u>-</u>	<u>-</u>	<u>48,660</u>	<u>39,260</u>