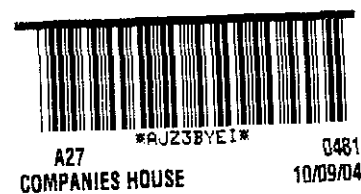


BURNET WARE & GRAVES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MAY 2004



Company Registration Number 2498513

BURNET WARE & GRAVES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2004

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BURNET WARE & GRAVES LIMITED**THE DIRECTOR'S REPORT
FOR THE YEAR ENDED 31ST MAY 2004**

The Director has pleasure in presenting his Report and the Financial Statements of the Company for the year ended 31st May 2004.

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 31.5.04	At 1.6.03
M.J. Graves	14,000	14,000
G.G. Bristow (resigned 10.6.03)	-	14,000

During the year, the Company purchased the shares in the Company held by G.G. Bristow.

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



K.L.GRAVES
Company Secretary

BURNET WARE & GRAVES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MAY 2004

	Note	2004 £	2003 £
TURNOVER		1,299,016	1,256,077
Administrative Expenses		(1,335,059)	(1,465,878)
Other Operating Income		275	50,275
OPERATING LOSS	2	(35,768)	(159,526)
Interest Receivable		4,472	5,519
Interest Payable		(6,189)	(5,316)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(37,485)	(159,323)
Tax on Loss on Ordinary Activities	3	-	24,259
RETAINED LOSS FOR THE FINANCIAL YEAR		(37,485)	(135,064)
Balance Brought Forward		174,359	309,423
Purchase of Own Equity Shares		(96,950)	-
Balance Carried Forward		39,924	174,359

BURNET WARE & GRAVES LIMITED**BALANCE SHEET
AS AT 31ST MAY 2004**

	Note	2004 £	2003 £
FIXED ASSETS			
Intangible Assets	4	-	-
Tangible Assets	5	110,175	124,042
		<u>110,175</u>	<u>124,042</u>
CURRENT ASSETS			
Stocks and Work in Progress		29,040	29,618
Debtors	6	177,619	228,756
Cash at Bank and in Hand		159,955	140,996
		<u>366,614</u>	<u>399,370</u>
CREDITORS: Amounts falling due within one year	7	<u>(379,379)</u>	<u>(298,554)</u>
NET CURRENT (LIABILITIES) / ASSETS		<u>(12,765)</u>	<u>100,816</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>97,410</u>	<u>224,858</u>
CREDITORS: Amounts falling due after more than one year	8	<u>(15,486)</u>	<u>(8,499)</u>
		<u>81,924</u>	<u>216,359</u>
CLIENTS ACCOUNT			
Clients Bank Account Balances		354,746	342,400
Less : Clients Ledger Balances		<u>(354,746)</u>	<u>(342,400)</u>
		-	-
		<u>81,924</u>	<u>216,359</u>
CAPITAL AND RESERVES			
Called-up Equity Share Capital	9	14,000	28,000
Capital Redemption Reserve	10	28,000	14,000
Profit and Loss Account		39,924	174,359
SHAREHOLDERS' FUNDS		<u>81,924</u>	<u>216,359</u>

The balance sheet continues on the following page

The notes on pages 5 to 9 form part of these financial statements.

BURNET WARE & GRAVES LIMITED**BALANCE SHEET****AS AT 31ST MAY 2004 (continued)**

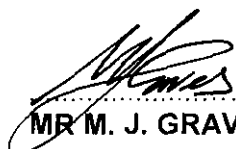
The Director is satisfied that the Company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the Financial Statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The Director acknowledges his responsibilities for:

- (i) ensuring that the Company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing Financial Statements 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 its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to Financial Statements, so far as applicable to the Company.

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 Small Entities (effective March 2000).

These Financial Statements were approved by the Director on the 6.9.04


MR M. J. GRAVES

BURNET WARE & GRAVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MAY 2004

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 2004****2. OPERATING LOSS**

Operating Loss is stated after charging:

	2004 £	2003 £
Directors Remuneration	117,952	194,600
Remuneration to Former Director	3,358	8,118
Directors Pension Scheme	870	64,605
Depreciation	32,314	37,029
Loss on Disposal of Fixed Assets	-	1,266
Auditors' Fees	3,500	10,500
Operating Lease Costs:		
Land and Buildings	50,342	44,993
Motor Vehicles	35,600	46,519
Equipment	4,562	4,456

3. TAX ON LOSS ON ORDINARY ACTIVITIES

	2004 £	2003 £
Current Tax:		
Corporation Tax (credit)/charge based on the results for the year	-	(24,259)

4. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1st June 2003 and 31st May 2004	13,050
AMORTISATION	
At 1st June 2003 and 31st May 2004	13,050
NET BOOK VALUE	
At 31st May 2004	-
At 31st May 2003	-

BURNET WARE & GRAVES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2004****5. TANGIBLE FIXED ASSETS**

	Leasehold Property £	Fixtures & Fittings £	Motor Vehicles £	Office Equipment £	Total £
COST					
At 1st June 2003	49,685	81,658	80,607	126,468	338,418
Disposals in Year	-	-	(36,857)	-	(36,857)
Additions in Year	-	480	38,111	2,316	40,907
At 31st May 2004	<u>49,685</u>	<u>82,138</u>	<u>81,861</u>	<u>128,784</u>	<u>342,468</u>
DEPRECIATION					
At 1st June 2003	45,704	54,090	39,690	74,892	214,376
On Disposals in Year	-	-	(14,397)	-	(14,397)
Charge for the Year	493	4,207	14,142	13,472	32,314
At 31st May 2004	<u>46,197</u>	<u>58,297</u>	<u>39,435</u>	<u>88,364</u>	<u>232,293</u>
NET BOOK VALUE					
At 31 May 2004	<u>3,488</u>	<u>23,841</u>	<u>42,426</u>	<u>40,420</u>	<u>110,175</u>
At 31 May 2003	<u>3,981</u>	<u>27,568</u>	<u>40,917</u>	<u>51,576</u>	<u>124,042</u>

Hire Purchase Agreements

Included within the net book value of £110,175 is £41,331 (2003 - £57,915) 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 £19,444 (2003 - £19,305).

6. DEBTORS

	2004 £	2003 £
Trade Debtors	136,606	149,085
Other Debtors	3,347	1,179
Corporation Tax Recoverable	-	24,259
Prepayments and Accrued Income	37,666	54,233
	<u>177,619</u>	<u>228,756</u>

BURNET WARE & GRAVES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2004****7. CREDITORS: Amounts falling due within one year**

	2004	2003
	£	£
Trade Creditors	18,438	35,733
Hire Purchase	20,803	10,199
Other Creditors including Taxation: PAYE and Social Security	42,126	36,873
VAT	48,590	21,719
Other Creditors	<u>233,408</u>	<u>166,866</u>
	324,124	225,458
Accruals and Deferred Income	16,014	27,164
	<u>379,379</u>	<u>298,554</u>

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

	2004	2003
	£	£
Hire Purchase	<u>15,486</u>	<u>8,499</u>

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

	2004	2003
	£	£
100,000 Ordinary shares of £1.00 each	<u>100,000</u>	<u>100,000</u>

Allotted, Called Up and Fully Paid:

	2004	2003
	£	£
Ordinary Share Capital Brought Forward	28,000	28,000
Purchase of Own Equity Shares	(14,000)	-
	<u>14,000</u>	<u>28,000</u>

10. CAPITAL REDEMPTION RESERVE

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

BURNET WARE & GRAVES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2004****11. RELATED PARTY TRANSACTIONS**

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

- a. Rent of £15,260 (2003 - £13,260) to a company in which M.J. Graves had a controlling interest.
- b. Rent of £20,000 (2003 - £18,000) to a Pension Fund in which the only members are the Director and Former Directors of Burnet Ware & Graves Limited.
- c. Management Fees of £5,400 (2003 - £9,150) to a firm, the sole proprietor of which is Mrs K.L. Graves, the wife of M.J. Graves.

12. 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	
	2004 £	2003 £	2004 £	2003 £
Less than one year	31,691	51,891	-	-
Between two and five years	22,789	31,899	-	-
In more than five years	-	-	48,660	48,660