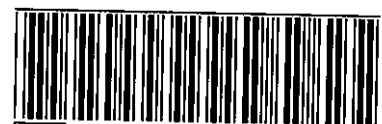


FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 1996 FOR
ANTIQUE & FINE ART FINANCE LIMITED

REGISTERED NUMBER: 2984708



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ANTIQUE & FINE ART FINANCE LIMITED

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ANTIQU & FINE ART FINANCE LIMITED

COMPANY INFORMATION

DIRECTORS: M.Foley
A.Jennings

SECRETARY: A.Jennings

REGISTERED OFFICE: The Malthouse
50 Kington St. Michael
Chippenham
Wiltshire
SN14 6JE

REGISTERED NUMBER: 2984708

ANTIQU & FINE ART FINANCE LIMITED

REPORT OF THE DIRECTORS

The directors present their report with the Financial Statements of the company for the year ended 30 November 1996.

Principal Activity

The principal activity of the company is the provision of interest-free credit to the customers of antique and fine art dealers.

Review of the Business

The results for the year and the financial position of the company are as shown in the financial statements.

Dividends and Transfers To Reserves

No dividends will be distributed for the year ended 30 November 1996.

Directors

The Directors of the company in office during the year ended 30 November 1996 were as follows:

M.Foley (appointed 31/10/94)

S.Harding (appointed 31/10/94, resigned 20/12/95)

A.Jennings (appointed 31/10/94)

S.Harding held 30 fully paid up ordinary shares until 19 June 1996 when he sold them to A.Jennings. M.Foley held 30 fully paid up ordinary shares for the year. A.Jennings held 30 fully paid up ordinary shares until 19 June 1996, when he acquired a further 30 from S.Harding.

M.Foley and A.Jennings, being eligible, offer themselves for election at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Secretary

A.Jennings

Dated:

ANTIQUÉ & FINE ART FINANCE LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 NOVEMBER 1996

	<u>Note</u>	<u>1996 £</u>	<u>1995 £</u>
TURNOVER	2	85,993	60,753
Cost of Sales		56,764	54,462
GROSS PROFIT		<u>29,229</u>	<u>6,291</u>
Administrative Expenses		26,187	14,762
OPERATING PROFIT	4	<u>3,042</u>	<u>(8,471)</u>
Interest payable and similar charges	5		845
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>3,042</u>	<u>(9,316)</u>
Taxation		-	-
PROFIT FOR THE YEAR AFTER TAXATION		<u>3,042</u>	<u>(9,316)</u>
RETAINED LOSS BROUGHT FORWARD		(9,316)	-
REAINED LOSS CARRIED FORWARD		<u>(6,274)</u>	<u>(9,316)</u>

Continuing operations

None of the company's activities were acquired or discontinued during the year.

Total recognised gains and losses

The company has no recognised gains or losses other than the profit for the current year.

The notes form part of these financial statements.

ANTIQUE & FINE ART FINANCE LIMITED

BALANCE SHEET AS AT 30 NOVEMBER 1996

	<u>Note</u>	<u>1996 £</u>	<u>1996 £</u>	<u>1995 £</u>
FIXED ASSETS:				
Tangible Assets	7		3,638	1,512
CURRENT ASSETS:				
Debtors	8	39,249		28,518
Bank		<u>1,756</u>		<u>7,586</u>
		41,005		36,104
CREDITORS: Amounts falling due within one year	9	<u>47,865</u>		45,267
NET CURRENT LIABILITIES			<u>(6,860)</u>	<u>(9,163)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(3,222)</u>	<u>(7,651)</u>
CAPITAL AND RESERVES				
Called Up Share Capital			90	90
Bad Debts Reserve			2,962	1,575
Profit and Loss Account			<u>(6,274)</u>	<u>(9,316)</u>
Shareholders' Funds			<u>(3,222)</u>	<u>(7,651)</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 30 November 1996.

No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial period.

The directors acknowledge their responsibilities for:

- (a) Ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) Preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

ON BEHALF OF THE BOARD:

APPROVED ON:

22/8/97

The notes form part of these financial statements.

ANTIQUE & FINE ART FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 1996

1. ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared under the historical cost convention. Exemption has been taken from preparing a cashflow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales, excluding Value Added Tax.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Computer Equipment	- 50% straight line.
Office Equipment	- 33 1/3% straight line.
Furniture & Fixtures	- 25% straight line.

2. TURNOVER

The turnover comprises:	<u>1996 £</u>	<u>1995 £</u>
Finance of antiques and fine art	66,521	56,006
Consultancy services	19,472	3,903
Sale of goods overseas	-	844
	<u>85,993</u>	<u>60,753</u>

3. STAFF COSTS

	<u>1996 £</u>	<u>1995 £</u>
Salaries	12,766	1,889

The average weekly number of employees during the period was 1 (Administration).

4. OPERATING PROFIT

The operating profit is stated after charging:	<u>1996 £</u>	<u>1995 £</u>
Depreciation	2,321	1,344
Directors' Emoluments	10,750	1,889

ANTIQUE & FINE ART FINANCE LIMITED

5. INTEREST PAYABLE AND SIMILAR CHARGES **1996 £** **1995 £**

Interest payable on Directors' Current Accounts	-	<u>£845</u>
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6. TAXATION

No liability to UK Corporation Tax arose on ordinary activities for the period.

7. TANGIBLE FIXED ASSETS

	<u>Computer Equipment £</u>	<u>Furniture & Fixtures £</u>	<u>Office Eqpt. £</u>
COST – Brought forward	2,400	96	360
Additions during the year	<u>4,447</u>	<u> </u>	<u> </u>
Carried forward	<u>6,847</u>	<u>96</u>	<u>360</u>
DEPRECIATION			
Provision brought forward	1,200	24	120
Charge for the year	<u>2,177</u>	<u>24</u>	<u>120</u>
Provision carried forward	<u>3,377</u>	<u>48</u>	<u>240</u>
NET BOOK VALUE			
As at 30 November 1995	1,200	72	240
As at 30 November 1996	<u>3,470</u>	<u>48</u>	<u>120</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1996 £</u>	<u>1995 £</u>
Trade Debtors	38,730	27,969
Sundry Debtors	519	538
VAT	<u>-</u>	<u>11</u>
	<u>39,249</u>	<u>28,518</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1996 £</u>	<u>1995 £</u>
Directors' Current Accounts	47,608	41,162
Deferred Income	-	3,605
Accruals	-	500
VAT	203	-
Sundry creditors	<u>54</u>	<u>-</u>
	<u>47,865</u>	<u>45,267</u>