

REGISTERED NUMBER:
2013405

BIGWOOD AUCTIONEERS LIMITED

FINANCIAL STATEMENTS

30 JUNE 2000

Friend & Co., CHARTERED ACCOUNTANTS



BIGWOOD AUCTIONEERS LIMITED

FINANCIAL STATEMENTS

30 JUNE 2000

CONTENTS

	<u>Pages</u>
Directors' report	1 - 2
Auditors' report	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6 - 10

BIGWOOD AUCTIONEERS LIMITED

DIRECTORS' REPORT

The directors present their annual report together with the audited financial statements of the company for the year ended 30 June 2000.

PRINCIPAL ACTIVITY

The principal activity of the company continued to be that of auctioneers and valuers.

RESULTS AND DIVIDENDS

The profit on ordinary activities after taxation was £41,978 (1999 - £2,079). An interim dividend of £215,000 was declared during the year (1999 - £nil). The directors recommend the payment of a final dividend of £27,448 (1999 - £nil) leaving a deficit of £200,470 to be deducted from reserves (1999 - retained profit of £2,079 transferred to reserves).

DIRECTORS AND THEIR INTERESTS

The directors who held office during the year were as follows:

C Ironmonger (Chairman)
Mrs C M Ironmonger
A I Shepherd (Vice Chairman)
G H Carter

None of the directors had any interests in the shares of the company.

Mr C Ironmonger, Mr A I Shepherd and Mr G H Carter are also directors of the company's parent company, Bigwood Group plc, and their interests in the shares of that company are shown in its financial statements.

Mrs C M Ironmonger had an interest in 4,124 ordinary shares of £1 each in the shares of the parent company at 30 June 2000 and at 30 June 1999.

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 and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a 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, for safeguarding the assets of the company and for the prevention and detection of fraud and other irregularities.

BIGWOOD AUCTIONEERS LIMITED

DIRECTORS' REPORT (continued)

AUDITORS

A resolution to re-appoint Friend & Co as auditors will be proposed at the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD



G H CARTER
Secretary

19 September 2000

AUDITORS' REPORT TO THE SHAREHOLDERS OF
BIGWOOD AUCTIONEERS LIMITED

We have audited the financial statements on pages 4 to 10 which have been prepared in accordance with the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with 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 30 June 2000 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Friend & Co.

FRIEND & CO
Chartered Accountants and Registered Auditors

Neville House
42-46 Hagley Road
Edgbaston
Birmingham
B16 8PE

19 September 2000

BIGWOOD AUCTIONEERS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2000

	<u>Notes</u>	<u>2000</u> £	<u>1999</u> £
TURNOVER		244,483	187,389
Cost of sales		38,559	30,912
		<hr/>	<hr/>
GROSS PROFIT		205,924	156,477
Administrative expenses		155,152	153,229
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	50,772	3,248
Tax on profit on ordinary activities	4	8,794	1,169
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		41,978	2,079
Dividends	5	242,448	-
		<hr/>	<hr/>
(LOSS)/RETAINED PROFIT FOR THE FINANCIAL YEAR	10	£(200,470)	£2,079
		<hr/> <hr/>	<hr/> <hr/>

None of the company's activities were acquired or discontinued during the above two financial years.

The company has no recognised gains or losses other than the profit or loss for the above two financial years.

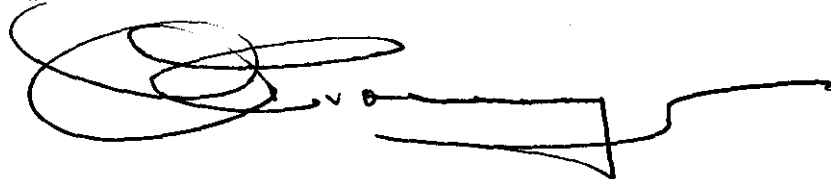
The notes on pages 6 to 10 form part of these financial statements.

BIGWOOD AUCTIONEERS LIMITED

BALANCE SHEET AT 30 JUNE 2000

	<u>Notes</u>	<u>£</u>	<u>2000</u> <u>£</u>	<u>1999</u> <u>£</u>
FIXED ASSETS				
Tangible assets	6	.	13,833	4,337
CURRENT ASSETS				
Debtors	7	110,651		112,154
Cash at bank and in hand		149,958		200,933
		260,609		313,087
CREDITORS: amounts falling due within one year	8	231,948		74,460
NET CURRENT ASSETS			28,661	238,627
TOTAL ASSETS LESS CURRENT LIABILITIES			£42,494	£242,964
CAPITAL AND RESERVES				
Called up share capital	9		25,000	25,000
Profit and loss account	10		17,494	217,964
SHAREHOLDERS' FUNDS	11		£42,494	£242,964

These financial statements were approved by the board of directors on 19 September 2000 and signed on its behalf.



C IRONMONGER
Director

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

BIGWOOD AUCTIONEERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS -- 30 JUNE 2000

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

The principal accounting policies of the company, which remain unchanged from the previous year, are set out below.

a) Turnover

Turnover represents the amounts receivable by way of commission arising from auctions conducted during the year together with fees charged for valuation services rendered, exclusive of value added tax. All turnover is derived solely from activities within the United Kingdom.

b) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is calculated so as to write off the cost of tangible fixed assets over their estimated useful lives, on a straight line basis, at the following annual rates:

Motor vehicles	- 33%
Fixtures and fittings	- 20%
Computer equipment	- 25%.

c) Deferred taxation

Deferred taxation is provided using the liability method in respect of the taxation effect of all timing differences to the extent that it is probable that a liability or asset will crystallise in the foreseeable future.

d) Pension costs

The company operates a defined contribution scheme. Pension costs are charged to the profit and loss account in the year in which the contributions are payable as required under Statement of Standard Accounting Practice Number 24.

e) Leases

Rentals paid under operating leases are charged to the profit and loss account in the periods in which the payments are due.

BIGWOOD AUCTIONEERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities before taxation is stated after charging:

	<u>2000</u> £	<u>1999</u> £
Auditors' remuneration	3,200	3,000
Depreciation of owned tangible fixed assets	3,735	7,408
	<u> </u>	<u> </u>

3. DIRECTORS AND EMPLOYEES

a) Directors' remuneration

	<u>2000</u> £	<u>1999</u> £
Emoluments	25,800	16,500
Pension contributions	320	94
	<u> </u>	<u> </u>
	£26,120	£16,594
	<u> </u>	<u> </u>

b) Staff costs

	<u>2000</u> £	<u>1999</u> £
Staff costs comprise:		
Wages and salaries	82,847	88,684
Social security costs	6,139	8,251
Other pension costs	320	94
	<u> </u>	<u> </u>
	£89,306	£97,029
	<u> </u>	<u> </u>

The average number of employees during the year was:

	<u>2000</u> Number	<u>1999</u> Number
Selling and marketing	3	4
Administration	4	4
	<u> </u>	<u> </u>
	7	8
	<u> </u>	<u> </u>

BIGWOOD AUCTIONEERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

	<u>2000</u>	<u>1999</u>
Corporation tax payable at 20.0% (1999 – 20.7%) based on the results for the year	<u>£8,794</u>	<u>£1,169</u>

5. DIVIDENDS

	<u>2000</u> £	<u>1999</u> £
Interim ordinary dividend declared	215,000	-
Proposed final ordinary dividend	27,448	-
	<u>£242,448</u>	<u>£ -</u>

6. TANGIBLE FIXED ASSETS

	<u>Motor vehicles</u> £	<u>Fixtures and fittings</u> £	<u>Computer equipment</u> £	<u>Total</u> £
COST				
At 1 July 1999	24,250	12,126	8,248	44,624
Additions	11,750	1,481	-	13,231
Disposals	(12,400)	-	-	(12,400)
	<u>23,600</u>	<u>13,607</u>	<u>8,248</u>	<u>45,455</u>
At 30 June 2000				
ACCUMULATED DEPRECIATION				
At 1 July 1999	23,785	10,598	5,904	40,287
Charge for the year	2,404	508	823	3,735
Disposals	(12,400)	-	-	(12,400)
	<u>13,789</u>	<u>11,106</u>	<u>6,727</u>	<u>31,622</u>
At 30 June 2000				
NET BOOK VALUE				
At 30 June 2000	<u>£9,811</u>	<u>£2,501</u>	<u>£1,521</u>	<u>£13,833</u>
At 30 June 1999	<u>£465</u>	<u>£1,528</u>	<u>£2,344</u>	<u>£4,337</u>

BIGWOOD AUCTIONEERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. DEBTORS

	<u>2000</u>	<u>1999</u>
	£	£
Amounts falling due within one year:		
Trade debtors	23,185	22,126
Amounts owed by group undertakings	84,011	84,184
Prepayments	3,455	5,844
	<u>£110,651</u>	<u>£112,154</u>

8. CREDITORS: amounts falling due within one year

	<u>2000</u>	<u>1999</u>
	£	£
Trade creditors	56,686	52,400
Corporation tax	8,794	1,169
Other taxation and social security	5,762	5,120
Accruals	1,943	1,332
Amounts owed to group companies	130,815	14,439
Other creditors	500	-
Proposed dividend	27,448	-
	<u>£231,948</u>	<u>£74,460</u>

9. CALLED UP SHARE CAPITAL

Authorised:

100,000 ordinary shares of £1 each

2000 and 1999

£100,000

Allotted and fully paid:

25,000 ordinary shares of £1 each

£25,000

10. PROFIT AND LOSS ACCOUNT

At 1 July 1999
Loss for the financial year

£
217,964
(200,470)

At 30 June 2000

£17,494

BIGWOOD AUCTIONEERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>2000</u> £	<u>1999</u> £
Profit on ordinary activities after taxation	41,978	2,079
Dividends paid and proposed	(242,448)	-
	<hr/>	<hr/>
Opening shareholders' funds	(200,470) 242,964	2,079 240,885
	<hr/>	<hr/>
Closing shareholders' funds	£42,494	£242,964
	<u>=====</u>	<u>=====</u>

12. OPERATING LEASE COMMITMENTS

At 30 June 2000 the company was committed to making the following payments during the next year in respect of operating leases:

	<u>Land and buildings</u>
Leases which expire after five years	£14,000
	<u>=====</u>

The property is leased from a company that is controlled by the directors of Bigwood Group plc, the company's parent company.

13. CONTINGENT LIABILITIES

The company has provided certain guarantees to secure the bank borrowings of its parent company and other group undertakings. At 30 June 2000 the Group had no net bank borrowings.

14. ULTIMATE PARENT COMPANY

The company's ultimate parent company is Bigwood Group plc, a company registered in England.