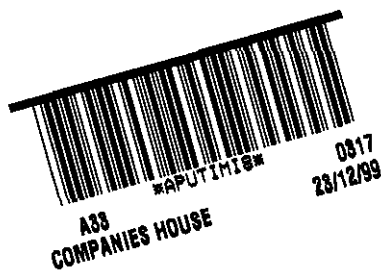


HALLS HOLDINGS LIMITED

Company Number 2536213

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30 APRIL 1999



**Adrian  
Richards**

Chartered Accountants

London House    Town Walls    Shrewsbury    SY1 1TX

Telephone: 01743 - 233625 / 01743 - 362848 Fax: 01743 - 231717

**AUDITORS' REPORT TO HALLS HOLDINGS LIMITED  
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 2 to 6 together with the financial statements of the company for the year ended 30 April 1999 prepared under section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies, and whether the accounts to be delivered are properly prepared in accordance with those provisions, and to report our opinion to you.

**Basis of opinion**

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts, and that the abbreviated accounts to be delivered are properly prepared.

The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 6 are properly prepared in accordance with those provisions.

London House  
Town Walls  
Shrewsbury  
SY1 1TX

  
CHARTERED ACCOUNTANTS  
and Registered Auditors

2 November 1999

# HALLS HOLDINGS LIMITED

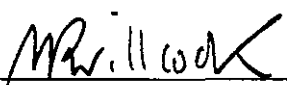
## ABBREVIATED BALANCE SHEET

AT 30 APRIL 1999

	Note	1999 £	1998 £
FIXED ASSETS			
Tangible assets	2	20,005	20,005
Investments - group undertakings	3	2,389	2,389
Investments - other	4	57,108	57,108
CURRENT ASSETS			
Debtors		349,407	194,470
Cash at bank		77,276	194,847
		<u>426,683</u>	<u>389,317</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		<u>80,229</u>	<u>70,949</u>
NET CURRENT ASSETS		346,454	318,368
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>425,956</u>	<u>397,870</u>
CAPITAL AND RESERVES			
Called up share capital	5	93,000	93,000
Share premium		22,500	22,500
Capital redemption reserve		12,000	12,000
Profit and loss account		298,456	270,370
SHAREHOLDERS' FUNDS - equity interests		<u>425,956</u>	<u>397,870</u>

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board on 1 November 1999 and signed on its behalf by

  
Director

HALLS HOLDINGS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30 APRIL 1999

1. ACCOUNTING POLICIES

(a) Accounting convention

The financial statements are prepared under the historical cost convention.

(b) Exemption from consolidation

The company has taken advantage of the exemption conferred by section 248 of the Companies Act 1985 and has not prepared group accounts. In the directors' opinion the group qualifies as a small sized group.

(c) Turnover

Turnover represents amounts invoiced, excluding value added tax, in respect of the sale of services to customers.

(d) Depreciation

No depreciation is charged on freehold land.

Each leasehold was purchased for one pound and has therefore not been depreciated.

(e) Pension costs

Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

(f) Investments

Investments held as fixed assets are stated at cost or at the value to which they have been written down to reflect a permanent diminution in value.

(g) Operating leases

Rentals payable under operating leases are charged on a straight line basis over the term of the lease.

# HALLS HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS - CONTINUED

FOR THE YEAR ENDED 30 APRIL 1999

### 2. TANGIBLE FIXED ASSETS

	£
COST AND NET BOOK VALUE	20,005
At 1 May 1998 and 30 April 1999	<u>20,005</u>

### 3. FIXED ASSET INVESTMENTS - GROUP UNDERTAKINGS

The company's investments in its subsidiaries, all of which are incorporated in England and Wales, are held in fully paid ordinary shares as follows

	Cost of shares at 1 May 1998 and 30 April 1999	Percentage of shares held
	£	%
Halls Auctioneers Ltd	100	95.2
Halls Worcestershire Ltd	1,334	100
Hall Wateridge & Owen Ltd	955	100
	<u>2,389</u>	

The company has prosecuted its businesses of agricultural auctioneers and estate agents by delegating the conduct and running of them to its subsidiary Halls Auctioneers Limited (Auctioneers) but retaining to itself the goodwill of the businesses, ownership of all freehold and leasehold interests in property and licences and rights to conduct cattle and other auctions. To this end the company, through its Board of Directors, has authorised its subsidiary 'Auctioneers' to operate the businesses and occupy the properties without imposing any additional cost or charge other than the requirement that the subsidiary shall stand in the shoes of the company with regard to meeting all the costs and expenses arising from such operation and occupation. 'Auctioneers' did not conduct any other business. Hall Wateridge and Owen Limited and Halls Worcestershire Limited were dormant throughout the period. Halls Worcestershire Limited ceased trading on 30 April 1998 and continues as a non trading subsidiary. The company has advised the board of Halls Auctioneers that it is the policy of the company as their ultimate holding company to provide financial support to enable its trading and that of the group to continue unhampered by financial restraints.

HALLS HOLDINGS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - CONTINUED

FOR THE YEAR ENDED 30 APRIL 1999

4. FIXED ASSET INVESTMENTS - OTHER

	1999		1998
	£	£	£
Participating interest in:-			
Shrewsbury Livestock Auctioneers	16,818		16,818
Halls Market Company (see (b) below)	40,290		40,290
	<u>57,108</u>		<u>57,108</u>

- (a) The cost of the company's investment in a participating interest in the unincorporated association known as Shrewsbury Livestock Auctioneers (SLA) which entitled the company to a 53.5% share in the profits and losses of SLA was £16,818. On 30 June 1997 one of the participators withdrew from the consortium resulting in the share of the company in the profits and losses of SLA rising to 73.8%. Since the year end the continuing participators completed all the payments due to the retiring participant for share of capital and goodwill of SLA when such payments fell due. The principle business address of SLA is The Smithfield, Battlefield Road, Shrewsbury, SY1 4AB.
- (b) The cost of the company's investment in a participating interest in the consortium firm known as Halls Market Company (HMC) entitling the company to a 13.5% interest in its profits and losses was £40,290. HMC holds a participating interest in the unincorporated firm known as Oswestry Cattle Auctions (OCA) which entitles HMC to a 26.75% share in the profits and losses of OCA. The principle business address of HMC is Welsh Bridge, Shrewsbury, SY3 8LA.

# HALLS HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS - CONTINUED

FOR THE YEAR ENDED 30 APRIL 1999

### 5. CALLED UP SHARE CAPITAL

	Authorised		Allotted, issued and fully paid	
	1999	1998	1999	1998
	£	£	£	£
Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>	<u>93,000</u>	<u>93,000</u>

### 6. DIRECTORS

#### Transactions

The company holds a full repairing and insuring lease on normal commercial terms of freehold property which is occupied by a subsidiary for the conduct of business delegated to it by its parent. Mrs Sadler, wife of Mr R E Sadler, a director of this company and the subsidiary, granted the lease on 1 November 1991 for a term of nine years but with an option for the tenant to terminate at the end of the third and sixth year at a rental of £8,000 per annum with rent reviews every three years. The company did not exercise its option to terminate at 31 October 1997.

During the year the company's subsidiary Halls Auctioneers Limited, formerly incorporated as Halls Shropshire Limited, sold auctioneering services to the value of £2,280 to the unincorporated firm known as Oswestry Cattle Auctions and sold auctioneering services to the value of £10,215 to the consortium known as Halls Market Company (HMC) on commercial terms freely entered into as at arms length.

The consortium, whose members include Messrs Willcock, Gittins and the company holds an interest in Oswestry Cattle Auctions which entitles it to a 26.75% share in the profits of Oswestry Cattle Auctions.

The shares of profit of Messrs Willcock, Gittins and the company in HMC at 30 April 1999 were:

M P Willcock	8.3%
A T Gittins	21.0%
Halls Holdings Limited	13.5%