

HOPE'S AUCTION COMPANY LIMITED
ABBREVIATED ACCOUNTS
FOR
31 MARCH 2005

**THE REGISTRAR
OF COMPANIES**

ARMSTRONG WATSON

Chartered Accountants & Registered Auditors
Fairview House
Victoria Place
Carlisle
Cumbria
CA1 1HP



HOPE'S AUCTION COMPANY LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2005

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HOPE'S AUCTION COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts which comprise the Balance Sheet and the related notes, together with the financial statements of the company for the year ended 31 March 2005 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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 for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE 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 report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider 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 Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

CARLISLE

7th June 2005
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ARMSTRONG WATSON
Chartered Accountants
& Registered Auditors

Anthony Watson

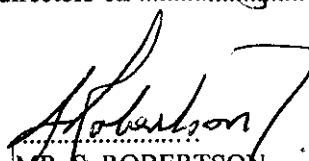
HOPE'S AUCTION COMPANY LIMITED**ABBREVIATED BALANCE SHEET****31 MARCH 2005**

	Note	2005 £	2004 £
FIXED ASSETS	2		
Tangible assets		356,708	372,048
CURRENT ASSETS			
Stocks		7,680	-
Debtors		1,231,818	1,497,021
Investments		392	377
Cash at bank and in hand		428,078	145,660
		<u>1,667,968</u>	<u>1,643,058</u>
CREDITORS: Amounts falling due within one year	3	<u>771,137</u>	<u>788,733</u>
NET CURRENT ASSETS		<u>896,831</u>	<u>854,325</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,253,539</u>	<u>1,226,373</u>
CREDITORS: Amounts falling due after more than one year	4	<u>1,505</u>	<u>3,267</u>
PROVISIONS FOR LIABILITIES AND CHARGES		<u>4,948</u>	<u>14,246</u>
		<u>1,247,086</u>	<u>1,208,860</u>
CAPITAL AND RESERVES			
Called-up share capital	5	263,000	263,000
Other reserves		-	68,953
Profit and loss account		984,086	876,907
SHAREHOLDERS' FUNDS		<u>1,247,086</u>	<u>1,208,860</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 31st May 05 and are signed on their behalf by:


MR. J. DIXON


MR. S. ROBERTSON

HOPE'S AUCTION COMPANY LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31 MARCH 2005****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 June, 2002).

Turnover

Turnover represents commissions earned, stated net of value added tax, from the sale of livestock and property.

Fixed assets

All fixed assets are initially recorded at cost.

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:

Freehold Property	- 2% Reducing balance/2% straight line
Plant, Machinery, Fixtures & Fittings	- 15% Reducing balance
Motor Vehicles, Tractors & Trailers	- 25% Reducing balance

No depreciation is provided on freehold land.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Hire purchase agreements

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.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

HOPE'S AUCTION COMPANY LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31 MARCH 2005****1. ACCOUNTING POLICIES** *(continued)***Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Finance contracts

Amounts due to the company under leases, hire purchase and other finance contracts are included in debtors at the amount of the net investment in the contract. The finance charges earned are credited to the profit and loss account on a straight line basis.

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1 April 2004	653,864
Additions	54,560
Disposals	<u>(54,885)</u>
At 31 March 2005	<u>653,539</u>
DEPRECIATION	
At 1 April 2004	281,816
Charge for year	34,250
On disposals	<u>(19,235)</u>
At 31 March 2005	<u>296,831</u>
NET BOOK VALUE	
At 31 March 2005	<u>356,708</u>
At 31 March 2004	<u>372,048</u>

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2005 £	2004 £
Hire purchase agreements	<u>1,505</u>	<u>1,248</u>

HOPE'S AUCTION COMPANY LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31 MARCH 2005****4. CREDITORS: Amounts falling due after more than one year**

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2005	2004
	£	£
Hire purchase agreements	<u>1,505</u>	<u>3,267</u>

5. SHARE CAPITAL**Authorised share capital:**

	2005	2004
	£	£
255,000 Ordinary shares of £1 each	255,000	255,000
120,000 3.5% Cum. Preference shares of £0.067 each	<u>8,000</u>	<u>8,000</u>
	<u>263,000</u>	<u>263,000</u>

Allotted, called up and fully paid:

	2005		2004	
	No	£	No	£
Ordinary shares of £1 each	255,000	255,000	255,000	255,000
3.5% Cum. Preference shares of £0.067 each	<u>120,000</u>	<u>8,000</u>	<u>120,000</u>	<u>8,000</u>
	<u>375,000</u>	<u>263,000</u>	<u>375,000</u>	<u>263,000</u>

The 3.5% Cumulative Preference shares are not redeemable and carry voting rights. On a winding up the 3.5% Cumulative Preference shares rank ahead of the ordinary shares and will be repaid at par.