

**Direct Valuations Limited**

**Abbreviated Financial Statements**

**Year Ended**

**31 March 2000**

**Company Number: 02411812**



**BDO Stoy Hayward**  
Chartered Accountants

# **DIRECT VALUATIONS LIMITED**

**Abbreviated financial statements for the year ended 31 March 2000**

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Directors

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## **Directors**

CC Hickling  
J Hickling  
L Gratton  
PR Gratton

## **Secretary and registered office**

L Gratton, 2/6 Cross Street, Swiss Court, Beeston, Nottingham, NG9 2NX

## **Company number**

02411812

## **Auditor**

BDO Stoy Hayward, Foxhall Lodge, Gregory Boulevard, Nottingham, NG7 6LH

## **Bankers**

The Royal Bank of Scotland, 189 Bramcote Lane, Wollaton, Nottingham, NG8 2QJ

## **DIRECT VALUATIONS LIMITED**

### **Report of the directors for the year ended 31 March 2000**

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The directors present their report together with the audited financial statements for the year ended 31 March 2000.

#### **Results and dividends**

The profit and loss account is set out on page 4 and shows the profit for the year.

Interim ordinary dividends amounting to £66,150 (1999: £224,000) have been paid in respect of the year. The directors recommend a final ordinary dividend amounting to £nil (1999: £198,450).

#### **Principal activities, trading review and future developments**

The principal activity of the company is that of property valuations and associated services.

The directors consider the results acceptable and anticipate a similar level of activities will continue in the forthcoming year.

#### **Charitable donations**

During the year the company made contributions of £1,944 (1999: £168) to charity.

#### **Directors**

The directors of the company during the year and their interest in the share capital of the company were:

	Ordinary shares at £1 each	
	2000 Number	1999 Number
CC Hickling	3,000	3,000
J Hickling	1,000	1,000
CC & J Hickling family trust	1,000	1,000
L Gratton	2,000	2,000
PR Gratton	2,000	2,000
L & PR Gratton family trust	1,000	1,000
	<u>          </u>	<u>          </u>

#### **EMU Impact**

Having reviewed its commercial and accounting transactions, the Company will be ready to manage the impact of the single currency.

## **DIRECT VALUATIONS LIMITED**

### **Report of the directors for the year ended 31 March 2000 (*Continued*)**

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#### **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;
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements; and
- prepare the financial statements on the 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **By order of the Board**



L Gratton  
Secretary

30 August 2000

**AUDITORS' REPORT TO DIRECT VALUATIONS LIMITED UNDER SECTION 247B  
OF THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements set out on pages 4 to 13, together with the financial statements of the company for the year ended 31 March 2000 prepared under Section 226 of the Companies Act 1985.

***Respective responsibilities of directors and auditors***

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to 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 financial statements and that the abbreviated financial statements 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 full financial statements.

***Opinion***

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages 4 to 13 are properly prepared in accordance with that provision.



**BDO STOY HAYWARD**  
*Chartered Accountants  
and Registered Auditor*

30 August 2000

**DIRECT VALUATIONS LIMITED****Profit and loss account for the year ended 31 March 2000**

	Note	2000 £	1999 £
<b>Gross profit</b>		5,253,881	2,259,041
Administrative expenses		(5,019,639)	(1,762,122)
		<u>234,242</u>	<u>496,919</u>
Other operating income	4	19,675	68
<b>Operating profit</b>	5	<u>253,917</u>	<u>496,987</u>
Interest receivable		69,738	17,763
<b>Profit on ordinary activities before taxation</b>		<u>323,655</u>	<u>514,750</u>
Taxation on profit from ordinary activities	6	(64,427)	(147,833)
<b>Profit on ordinary activities after taxation</b>		<u>259,228</u>	<u>366,917</u>
Dividends	8	(66,150)	(422,450)
<b>Retained profit/(loss) for the year</b>		<u><u>193,078</u></u>	<u><u>(55,533)</u></u>

All amounts relate to continuing activities.

No other recognised gains and losses have occurred in the year other than the profit for the year stated above.

There is no material difference between the profit on ordinary activities before taxation and the profit for the year stated above, and their historical cost equivalents.

The notes on pages 7 to 13 form part of these financial statements.

**DIRECT VALUATIONS LIMITED****Balance sheet at 31 March 2000**

	Note	2000		1999	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9		607,877		415,918
<b>Current assets</b>					
Debtors	10	612,895		625,309	
Investment	11	-		48,516	
Cash at bank and in hand		726,357		929,376	
		1,339,252		1,603,201	
<b>Creditors: amounts falling due within one year</b>	12	(1,577,876)		(1,842,944)	
<b>Net current liabilities</b>			(238,624)		(239,743)
<b>Net assets</b>			369,253		176,175
<b>Capital and reserves - equity</b>					
Called up share capital	13		10,000		10,000
Profit and loss account	14		359,253		166,175
<b>Shareholders' funds</b>	15		369,253		176,175

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium sized companies.

The financial statements were approved by the Board on 30 August 2000.



CC Hickling  
Director

The notes on pages 7 to 13 form part of these financial statements.

**DIRECT VALUATIONS LIMITED****Cash flow statement for the year ended 31 March 2000**

	Note	2000 £	1999 £
<b>Net cash inflow from operating activities</b>	21	327,474	1,268,563
<b>Returns on investments and servicing of finance</b>			
Interest received		69,738	17,763
<b>Taxation</b>			
Corporation tax paid		(106,632)	(95,137)
<b>Capital expenditure and financial instruments</b>			
Purchase of tangible fixed assets		(297,190)	(131,127)
<b>Equity dividends paid</b>		(264,600)	(276,800)
<b>Net cash (outflow)/inflow before liquid resources</b>		(271,210)	783,262
<b>Management of liquid resources</b>			
Purchase of current asset investment		-	(48,516)
Sale of current asset investment		68,191	-
<b>(Decrease)/increase in cash and cash equivalents</b>	22	(203,019)	734,746

The notes on pages 7 to 13 form part of these financial statements.



## DIRECT VALUATIONS LIMITED

Notes forming part of the financial statements for the year ended 31 March 2000

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### 1 Accounting policies

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

#### *Turnover*

Turnover represents sales to outside customers at invoiced amounts less value added tax.

#### *Depreciation*

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets, except freehold land, evenly over their expected useful lives. It is calculated at the following rates:

Freehold buildings	- 2% per annum reducing balance
Motor vehicles	- 25% per annum reducing balance
Other equipment	- 25% per annum reducing balance
Computer system	- 33% per annum reducing balance

The company commenced the depreciation of its freehold buildings during the year in order to comply with FRS 15: Tangible Fixed Assets. No adjustment of the prior year financial statements is considered necessary on the grounds of materiality.

#### *Deferred taxation*

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes, to the extent that it is probable that a liability or asset will crystallise.

# DIRECT VALUATIONS LIMITED

Notes forming part of the financial statements for the year ended 31 March 2000 (*Continued*)

## 1 Accounting policies (*Continued*)

### *Leased assets*

Operating leases are charged to the profit and loss account on a straight-line basis over the term of the lease.

### *Pension costs*

Contributions to the company's money purchase pension scheme are charged to the profit and loss account in the year in which they become payable.

### *Liquid resources*

The amount earned from the investment of liquid resources is credited to the profit and loss account in the year.

## 2 Employees

	2000 £	1999 £
Staff costs (including directors' remuneration) consist of:		
Wages and salaries	1,916,128	1,082,431
Social security costs	193,632	114,501
Other pension costs	5,950	6,000
Employee benefit trust ('EBT')	2,300,000	510,000
	<u>4,415,710</u>	<u>1,712,932</u>

The average monthly number of employees, including directors, during the year was 78 (1999 - 50).

Under the deed of the EBT the trustees have the ability to make discretionary payments to the employees and directors of the company. The trustees are independent of the company.

**DIRECT VALUATIONS LIMITED**Notes forming part of the financial statements for the year ended 31 March 2000 *(Continued)***3 Directors**

	2000 £	1999 £
Directors' emoluments	1,015,744	693,543
Contributions to money purchase pension scheme	5,950	6,000
	<u>1,021,694</u>	<u>699,543</u>
Highest paid director	446,834	377,976
Contribution to money purchase pension scheme	2,975	3,000
	<u>449,809</u>	<u>380,976</u>

Contributions to money purchase pension schemes are made on behalf of 2 directors (1999: 2).

**4 Other income**

Investment income	19,675	68
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**5 Operating profit**

This has been arrived at after charging/(crediting):

Depreciation	105,231	96,901
Hire of other assets - operating leases	35,009	18,254
Auditors' remuneration - audit	6,650	2,070
- non audit	2,300	-
Profit on current asset investment	(19,675)	(68)

**6 Taxation on profit from ordinary activities**

UK corporation tax	83,500	147,833
Over provision prior year	(19,073)	-
	<u>64,427</u>	<u>147,833</u>

# DIRECT VALUATIONS LIMITED

Notes forming part of the financial statements for the year ended 31 March 2000 (*Continued*)

## 7 Deferred taxation

	2000		1999	
	Provided £	Unprovided £	Provided £	Unprovided £
Accelerated capital allowances	-	18,000	-	5,000
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

## 8 Dividends

Ordinary - interim £6.62 (1999: £22.40) per share	66,150	224,000
Ordinary - proposed £nil (1999: £19.85) per share	-	198,450
	<u>66,150</u>	<u>422,450</u>

## 9 Tangible assets

	Freehold land and buildings £	Motor vehicles £	Office equipment £	Total £
<i>Cost</i>				
At 1 April 1999	158,578	16,945	519,309	694,832
Additions	-	49,911	247,279	297,190
At 31 March 2000	<u>158,578</u>	<u>66,856</u>	<u>766,588</u>	<u>992,022</u>
<i>Depreciation</i>				
At 1 April 1999	-	4,236	274,678	278,914
Charge for the year	2,114	10,096	93,021	105,231
At 31 March 2000	<u>2,114</u>	<u>14,332</u>	<u>367,699</u>	<u>384,145</u>
<i>Net book value</i>				
At 31 March 2000	<u>156,464</u>	<u>52,524</u>	<u>398,889</u>	<u>607,877</u>
At 31 March 1999	<u>158,578</u>	<u>12,709</u>	<u>244,631</u>	<u>415,918</u>

# DIRECT VALUATIONS LIMITED

Notes forming part of the financial statements for the year ended 31 March 2000 (Continued)

## 10 Debtors

	2000 £	1999 £
Trade debtors	483,496	545,007
Other debtors	115,518	77,240
Prepayments and accrued income	13,881	3,062
	<u>612,895</u>	<u>625,309</u>

All amounts shown under debtors fall due for payment within one year.

## 11 Current asset investments

Investment	-	48,516
	<u>-</u>	<u>48,516</u>

## 12 Creditors: amounts falling due within one year

Trade creditors	996,220	1,123,077
Taxation and social security	228,919	206,674
Corporation tax	83,500	125,706
Other creditors	14,865	-
Accruals and deferred income	254,372	189,037
Dividend proposed	-	198,450
	<u>1,577,876</u>	<u>1,842,944</u>

## 13 Share capital

	Allotted, called up and fully paid		Authorised	
	2000 £	1999 £	2000 £	1999 £
Ordinary shares of £1 each	10,000	10,000	100,000	100,000
	<u>10,000</u>	<u>10,000</u>	<u>100,000</u>	<u>100,000</u>

## 14 Reserves

	Profit and loss account £
At 1 April 1999	166,175
Profit for year	193,078
At 31 March 2000	<u>359,253</u>

## DIRECT VALUATIONS LIMITED

Notes forming part of the financial statements for the year ended 31 March 2000 (Continued)

### 15 Shareholders' funds

	2000 £	1999 £
Profit for the year	259,228	366,917
Dividends	(66,150)	(422,450)
Opening shareholders' funds	176,175	231,708
Closing shareholders' funds	<u>369,253</u>	<u>176,175</u>

### 16 Pensions

The company operates a money purchase pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

### 17 Capital commitments

No known capital commitments or contingent liabilities existed at 31 March 2000 (1999: £nil).

### 18 Commitments under operating leases

As at 31 March 2000, the company had annual commitments under non-cancellable operating leases as set out below:

	2000 Land and buildings £	1999 Land and buildings £
Operating leases which expire:		
Within one year	11,000	-
In two to five years	17,500	26,500
Over five years	-	-
	<u>28,500</u>	<u>26,500</u>

### 19 Related party transactions

Costs of £869,142 (1999: £464,336) were recharged by the company to Direct Valuations (PB) Limited, a company of which CC Hickling, J Hickling and L Gratton are directors which represented the costs incurred by the company in processing Direct Valuations (PB) Limited transactions.

At the year end a debtor of £102,185 (1999: £77,240) existed with Direct Valuations (PB) Limited.

**DIRECT VALUATIONS LIMITED**Notes forming part of the financial statements for the year ended 31 March 2000 *(Continued)***20 Analysis of changes in net debt**

	At 1 April 1999 £	Cashflows £	At 31 March 2000 £
Cash in hand at bank	929,376	(203,019)	726,357
Current asset investments	48,516	(48,516)	-
	<u>977,892</u>	<u>(251,535)</u>	<u>726,357</u>

**21 Reconciliation of operating profit to net cash inflow from operating activities**

	2000 £	1999 £
Operating profit	253,917	496,987
Depreciation	105,231	96,901
Profit on sale of current asset investment	(19,675)	-
Decrease/(increase) in debtors	12,414	(187,289)
(Decrease)/increase in creditors	(24,413)	861,964
Net cash inflow from operating activities	<u>327,474</u>	<u>1,268,563</u>

**22 Reconciliation of net cashflows to movement in net debt**

(Decrease)/increase in cash in the year	(203,019)	734,746
Cash (inflow)/outflow from (decrease)/increase in liquid resource	(48,516)	48,516
Changes in net debt resulting from cashflows	<u>(251,535)</u>	<u>783,262</u>
Net debt at 1 April 1999	977,892	194,630
Net debt at 31 March 2000	<u>726,357</u>	<u>977,892</u>