

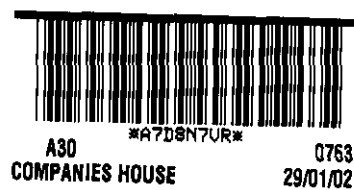
Direct Valuations Limited

Abbreviated Financial Statements

Year Ended

31 March 2001

Company Number: 02411812



DIRECT VALUATIONS LIMITED

Abbreviated financial statements for the year ended 31 March 2001

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Directors

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Directors

CC Hickling
J Hickling
L Gratton
PR Gratton

Secretary and registered office

C Staley, 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 2001

The directors present their report together with the audited abbreviated financial statements for the year ended 31 March 2001.

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 £278,000 (2000: £66,150) have been paid in respect of the year. The directors recommend a final ordinary dividend amounting to £nil (2000: £Nil).

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 £529 (2000: £1,944) 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	
	2001 Number	2000 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 is managing the impact of the single currency.

DIRECT VALUATIONS LIMITED

Report of the directors for the year ended 31 March 2001 (*Continued*)

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 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.

Auditors

BDO Stoy Hayward have expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

By order of the Board



C Staley
Secretary

17 September 2001

DIRECT VALUATIONS LIMITED**Report of the auditor**

**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 2001 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*
Nottingham

17 September 2001

DIRECT VALUATIONS LIMITED**Profit and loss account for the year ended 31 March 2001**

	Note	2001 £	2000 £
Gross profit		4,741,809	5,253,881
Administrative expenses		(4,422,561)	(5,019,639)
Other income	4	6,000	19,675
Operating profit	5	<u>325,248</u>	<u>253,917</u>
Interest receivable		83,651	69,738
Profit on ordinary activities before taxation		<u>408,899</u>	<u>323,655</u>
Taxation on profit from ordinary activities	6	(125,147)	(64,427)
Profit on ordinary activities after taxation		<u>283,752</u>	<u>259,228</u>
Dividends	8	(278,000)	(66,150)
Retained profit for the year	14	<u><u>5,752</u></u>	<u><u>193,078</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.

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

DIRECT VALUATIONS LIMITED**Balance sheet at 31 March 2001**

	Note	2001	2000
		£	£
Fixed assets			
Tangible assets	9	536,578	607,877
Investment in subsidiary undertaking	10	75,000	-
		<u>611,578</u>	<u>607,877</u>
Current assets			
Debtors	11	1,036,501	612,895
Cash at bank and in hand		798,373	726,357
		<u>1,834,874</u>	<u>1,339,252</u>
Creditors: amounts falling due within one year	12	(2,071,447)	(1,577,876)
Net current liabilities		<u>(236,573)</u>	<u>(238,624)</u>
Net assets		<u>375,005</u>	<u>369,253</u>
Capital and reserves - equity			
Called up share capital	13	10,000	10,000
Profit and loss account	14	365,005	359,253
Shareholders' funds	15	<u>375,005</u>	<u>369,253</u>

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 abbreviated financial statements were approved by the Board on 17 September 2001.



CC Hickling
Director

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

DIRECT VALUATIONS LIMITED

Cash flow statement for the year ended 31 March 2001

	Note	£	2001 £	£	2000 £
Net cash inflow from operating activities	20		471,207		327,474
Returns on investments and servicing of finance					
Interest received			83,651		69,738
Taxation					
Corporation tax paid			(78,647)		(106,632)
Capital expenditure and financial instruments					
Purchase of tangible fixed assets		(85,992)		(297,190)	
Disposal of tangible fixed assets		28,797		-	
Net cash outflow from capital expenditure			(57,195)		(297,190)
Acquisitions and Disposals					
Purchase of subsidiary undertaking			(75,000)		-
Equity dividends paid			(278,000)		(264,600)
Net cash inflow/(outflow) before liquid resources			66,016		(271,210)
Management of liquid resources					
Sale of current asset investment			6,000		68,191
Increase/(decrease) in cash and cash equivalents	21		72,016		(203,019)

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

DIRECT VALUATIONS LIMITED

Notes forming part of the abbreviated financial statements for the year ended 31 March 2001

1 Accounting policies

The abbreviated 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:

Basis of Opinion

The financial statements contain information about Direct Valuations Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken advantage of the exemption conferred by S.248 of the Companies Act 1985 not to produce consolidated financial statements as the group it heads qualifies as a medium group.

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

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.

Leased assets

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

Valuation of investments

Investments held as fixed assets are stated at cost less any provision for a permanent diminution in value.

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.

DIRECT VALUATIONS LIMITED

Notes forming part of the abbreviated financial statements for the year ended 31 March 2001 (*Continued*)

2 Employees

	2001 £	2000 £
Staff costs (including directors' remuneration) consist of:		
Wages and salaries	2,196,713	1,916,128
Social security costs	219,749	193,632
Other pension costs	11,980	5,950
Employee benefit trust ('EBT')	1,790,000	2,300,000
	<u>4,218,442</u>	<u>4,415,710</u>

The average monthly number of employees, including directors, during the year was 102 (2000: 78).

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.

3 Directors

	2001 £	2000 £
Directors' emoluments	1,105,456	1,015,744
Contributions to money purchase pension scheme	5,400	5,950
	<u>1,110,856</u>	<u>1,021,694</u>
Highest paid director	591,562	446,834
Contribution to money purchase pension scheme	2,700	2,975
	<u>594,262</u>	<u>449,809</u>

Contributions to money purchase pension schemes are made on behalf of 2 directors (2000: 2).

4 Other income

	2001 £	2000 £
Investment income	6,000	19,675

DIRECT VALUATIONS LIMITEDNotes forming part of the abbreviated financial statements for the year ended 31 March 2001 (*Continued*)**5 Operating profit**

	2001 £	2000 £
This has been arrived at after charging/(crediting):		
Depreciation	129,028	105,231
Hire of other assets - operating leases	32,411	35,009
Auditors' remuneration - audit	8,650	6,650
- non audit	2,900	2,300
Profit on current asset investment (note 4)	(6,000)	(19,675)
Profit on disposal of fixed asset	(534)	-
	<u> </u>	<u> </u>

6 Taxation on profit from ordinary activities

UK corporation tax	130,000	83,500
Over provision in prior year	(4,853)	(19,073)
	<u>125,147</u>	<u>64,427</u>

7 Deferred taxation

	2001		2000	
	Provided £	Unprovided £	Provided £	Unprovided £
Accelerated capital allowances	-	18,000	-	18,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

8 Dividends

	2001 £	2000 £
Ordinary - interim £27.80 (2000: £6.62) per share	278,000	66,150
	<u> </u>	<u> </u>

DIRECT VALUATIONS LIMITEDNotes forming part of the abbreviated financial statements for the year ended 31 March 2001 (*Continued*)**9 Tangible assets**

	Freehold land and buildings £	Motor vehicles £	Office equipment £	Total £
<i>Cost</i>				
At 1 April 2000	158,578	66,856	766,588	992,022
Additions	-	54,681	31,311	85,992
Disposals	-	(28,255)	(9,440)	(37,695)
At 31 March 2001	158,578	93,282	788,459	1,040,319
<i>Depreciation</i>				
At 1 April 2000	2,114	14,332	367,699	384,145
Charge for the year	2,112	21,102	105,814	129,028
Depreciation on disposals	-	(9,432)	-	(9,432)
At 31 March 2001	4,226	26,002	473,513	503,741
<i>Net book value</i>				
At 31 March 2001	154,352	67,280	314,946	536,578
At 31 March 2000	156,464	52,524	398,889	607,877

10 Investment in subsidiary undertaking

	2001 £
<i>Cost</i>	
At 1 April 2000	-
Additions	75,000
At 31 March 2001	75,000

The company purchased at par 75,000 'A' Ordinary shares of Mortgage Force Limited, a company registered in England and Wales.

This represents 75% of the total issued £1 ordinary share capital. During the period to 31 March 2001 this company reported a loss after taxation of £175,577 and had net liabilities of £75,577 at that date.

DIRECT VALUATIONS LIMITED

Notes forming part of the abbreviated financial statements for the year ended 31 March 2001 (Continued)

11 Debtors

	2001	2000
	£	£
Trade debtors	723,473	483,496
Amounts due from subsidiary undertaking	100,000	-
Other debtors	194,296	115,518
Prepayments and accrued income	18,732	13,881
	<u>1,036,501</u>	<u>612,895</u>

The amounts due from the subsidiary undertaking of £100,000 fall due for payment after one year.

12 Creditors: amounts falling due within one year

Trade creditors	947,170	996,220
Taxation and social security	236,273	228,919
Corporation tax	130,000	83,500
Other creditors	620,064	14,865
Accruals and deferred income	137,940	254,372
	<u>2,071,447</u>	<u>1,577,876</u>

13 Share capital

	Allotted, called up and fully paid		Authorised	
	2001	2000	2001	2000
	£	£	£	£
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 2000	359,253
Profit for year	5,752
At 31 March 2001	<u>365,005</u>

DIRECT VALUATIONS LIMITED

Notes forming part of the abbreviated financial statements for the year ended 31 March 2001 *(Continued)*

15 Shareholders' funds

	2001	2000
	£	£
Profit for the year	283,752	259,228
Dividends	(278,000)	(66,150)
Net increase in shareholders' funds	<u>5,752</u>	<u>193,078</u>
Opening shareholders' funds	369,253	176,175
Closing shareholders' funds	<u><u>375,005</u></u>	<u><u>369,253</u></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 2001 (2000: £Nil).

18 Commitments under operating leases

As at 31 March 2001, the company had annual commitments under non-cancellable operating leases as set out below:

	2001	2000
	Land and buildings	Land and buildings
	£	£
Operating leases which expire:		
Within one year	5,934	11,000
In two to five years	19,000	17,500
	<u><u>24,934</u></u>	<u><u>28,500</u></u>

DIRECT VALUATIONS LIMITED

Notes forming part of the abbreviated financial statements for the year ended 31 March 2001 (*Continued*)

19 Related party transactions

Costs of £613,380 (2000: £869,142) 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 £185,963 (2000: £102,185) existed with Direct Valuations (PB) Limited.

Costs of £39,993 (2000: £Nil) were recharged by the company to Mortgage Force Limited, a company of which CC Hickling is a director which represented the costs incurred by the company in processing Mortgage Force Limited transactions.

At the year end a debtor of £9,564 (2000: £Nil) existed with Mortgage Force Limited.

Costs of £27,392 (2000: £Nil) were recharged to the business Yudu, a business of which CC Hickling and J Hickling are partners which represented the costs incurred by the company in processing Yudu transactions. Yudu incurred costs on Direct Valuations Limited's behalf of £2,153 (2000: £Nil).

At the year end a creditor of £2,153 (2000: £Nil) existed with Yudu.

20 Reconciliation of operating profit to net cash inflow from operating activities

	2001 £	2000 £
Operating profit	325,248	253,917
Depreciation	129,028	105,231
Profit on sale of current asset investment	(6,000)	(19,675)
Profit on sale of fixed assets	(534)	-
(Increase)/decrease/in debtors	(423,606)	12,414
Increase/(decrease)/ in creditors	447,071	(24,413)
Net cash inflow from operating activities	<u>471,207</u>	<u>327,474</u>

21 Analysis of changes in net funds

	At 1 April 2000 £	Cashflows £	At 31 March 2001 £
Cash in hand at bank	726,357	72,016	798,373