

BALDWIN'S AUCTIONS LIMITED

**Financial Statements
For the year ended 31st January 2005**

Company Number 2883851



BALDWIN'S AUCTIONS LIMITED

DIRECTORS' REPORT for the year ended 31st January 2005

Financial Statements

The directors present their report and the accounts for the year ended 31st January 2005.

Directors' Responsibilities

Company law requires the directors to prepare accounts 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 year. In preparing those accounts 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 departures disclosed and explained in the accounts
- Prepare the accounts on the going concern basis

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.

Financial Results

During the year the company has run eight auctions in London and participated in three auctions overseas.

Profit on ordinary activities after taxation	60,212
Profit brought forward	148,462
	<hr/>
Profit carried forward	<u>£ 208,674</u>

Principal Activity

The company trades as numismatic auctioneers.

Events since the end of the year

No events have occurred since the end of the accounting year that need to be brought to the attention of members.

BALDWIN'S AUCTIONS LIMITED

DIRECTORS' REPORT for the year ended 31st January 2005

Directors and their interests

AHE Baldwin	Chairman and managing director
AP de Clermont	
SJ Freeman	Appointed 1st January 2005
PD Mitchell	
TD Wilkes	Appointed 1st January 2005

The interests of the directors in the ordinary shares of the company were as follows:

	31st January 2005	1st February 2004
AHE Baldwin	89,564	83,796
AP de Clermont	40,318	40,318
SJ Freeman	-	-
PD Mitchell	14,412	14,412
TD Wilkes	-	-

Audit

The directors have taken advantage of the exemption from audit conferred by Section 249B of the Companies Act 1985, as the company's turnover is less than £1 million.

This report was approved by the Board on 6th October 2005.



**AHE Baldwin
Chairman**

BALDWIN'S AUCTIONS LIMITED

Profit and Loss Account for the year ended 31st January 2005

	Notes	2005 £	2004 £
Turnover		392,462	281,035
Administrative expenses		356,719	296,365
		<u>35,743</u>	<u>(15,330)</u>
Provision for pensions released	13	20,000	-
Operating profit/loss	2	55,743	(15,330)
Interest received			
Banks		2,474	1,627
Other sources		6,195	163
		<u>8,669</u>	<u>1,790</u>
Profit/(loss) on ordinary activities before taxation		64,412	(13,540)
Taxation	3	4,200	(482)
		<u>4,200</u>	<u>(482)</u>
Profit/(loss) on ordinary activities after taxation		60,212	(13,058)
		<u>60,212</u>	<u>(13,058)</u>

Statement of Retained Profits

Profit/(loss) for the year, as above	60,212	(13,058)
Profit brought forward	148,462	161,520
Profit carried forward	<u>208,674</u>	<u>148,462</u>

There are no gains or losses in the year other than those recognised above.

All of the above derive from continuing activities.

BALDWIN'S AUCTIONS LIMITED

Balance Sheet as at 31st January 2005

	Notes	2005 £	2004 £
Tangible fixed assets	4	<u>4,920</u>	<u>5,836</u>
Current assets			
Debtors	5	244,356	167,691
Cash at bank and in hand		<u>436,457</u>	<u>313,450</u>
		680,813	481,141
Creditors: amounts falling due within one year	6	<u>261,059</u>	<u>102,515</u>
Net current assets		<u>419,754</u>	<u>378,626</u>
Total assets less current liabilities		424,674	384,462
Provisions for liabilities and charges	7	<u>-</u>	<u>20,000</u>
		<u>£ 424,674</u>	<u>£364,462</u>
Capital and reserves			
Called up share capital	8	216,000	216,000
Retained profits		<u>208,674</u>	<u>148,462</u>
Equity shareholders' funds		<u>£ 424,674</u>	<u>£ 364,462</u>

The company has taken advantage of the exemption from audit conferred by the Companies Act 1985 and the directors confirm:

1. that for the year ended 31st January 2005 the company was entitled to exemption under Section 249A(1)
2. that members holding 10% or more in aggregate of the company's issued share capital have not requested an audit pursuant to subsection (2) of Section 249B
3. that the directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act relating to accounts.

The financial statements on pages 3 to 8 were approved by the Board on 6th October 2005.



AHE Baldwin
Chairman

BALDWIN'S AUCTIONS LIMITED

Notes to the Financial Statements for the year ended 31st January 2005

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and on the going concern basis.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation and all repairs are written off as incurred. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life on a straight line basis as follows:

Computer equipment	-	over 4 years
Fixtures and fittings	-	over 5 years

Taxation

The charge for taxation is based on the profit for the year and takes into account deferred taxation. Deferred taxation is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and for accounting purposes that have occurred but not reversed by the balance sheet date, except as otherwise required by FRS19 'Deferred Tax'.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Turnover

Turnover represents the net amounts receivable, excluding VAT, in respect of auctions held during the year.

Pensions

The company operates a defined contribution pension scheme for staff. Pension fund costs are charged to the profit and loss account as they are incurred. Details of the closed defined benefit scheme are shown at Note 13.

Compliance with accounting standards

The financial statements have been prepared in accordance with applicable accounting standards. The company is exempt from the requirements of FRS1 to include a cash flow statement as part of its financial statements because it meets the criteria of a small company.

2. OPERATING PROFIT

	2005 £	2004 £
Operating profit is stated after charging:		
Depreciation	1,622	1,941
Directors' remuneration	16,800	10,500
Exchange losses	15,470	28,643

BALDWIN'S AUCTIONS LIMITED

Notes to the Financial Statements for the year ended 31st January 2005

3. TAXATION ON ORDINARY ACTIVITIES	2005 £	2004 £
Corporation tax at 19% on the taxable profit/(loss) of the year.	4,200	(170)
Overprovision in previous year	-	(312)
	<u>4,200</u>	<u>(482)</u>
Factors effecting the tax charge for the period.		
The tax charge for the period is at variance to the standard rate of corporation tax (19%). The differences are explained below.		
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax of 19% (2004 – 19%)	12,238	(2,573)
Effects of:		
Timing differences related to the payment of directors remuneration	(4,503)	2,195
Release of pension provision	(3,800)	-
Permanent disallowables	208	39
Depreciation for accounting and tax purposes	57	169
	<u>4,200</u>	<u>(170)</u>

4. TANGIBLE FIXED ASSETS	Furniture & fittings £	Computer equipment £	Total £
Cost			
1 February 2004	3,117	33,788	36,905
Additions	234	472	706
	<u>3,351</u>	<u>34,260</u>	<u>37,611</u>
31 January 2005			
Depreciation			
1 February 2004	3,116	27,953	31,069
Charge for the year	46	1,576	1,622
	<u>3,162</u>	<u>29,529</u>	<u>32,691</u>
31 January 2005			
Net Book Value			
31 January 2005	<u>189</u>	<u>4,731</u>	<u>4,920</u>
31 January 2004	<u>1</u>	<u>5,835</u>	<u>5,836</u>

BALDWIN'S AUCTIONS LIMITED

Notes to the Financial Statements for the year ended 31st January 2005

5. DEBTORS	2005	2004
	£	£
Trade debtors	233,636	145,553
Loan to AH Baldwin & Sons Ltd	-	12,000
Prepayments and accrued income	4,323	9,165
Corporation tax recoverable	6,397	170
Other taxes	-	803
	<u>244,356</u>	<u>167,691</u>
 6. CREDITORS		
Amounts falling due within one year		
Trade creditors	59,014	56,433
Corporation tax	4,200	16,310
Other taxes and social security costs	35,380	2,614
Accruals and deferred income	27,385	27,158
AH Baldwin & Sons Ltd	135,080	-
	<u>261,059</u>	<u>102,515</u>
 7. PROVISIONS FOR LIABILITIES AND CHARGES		
	2005	2004
	£	£
Provision for pensions [See Note 13]	<u>-</u>	<u>20,000</u>
 8. SHARE CAPITAL		
Authorised		
Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>
Allotted, called up and fully paid		
Ordinary shares of £1 each	<u>216,000</u>	<u>216,000</u>
 9. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS		
Profit/(loss) for the year	60,212	(13,058)
Shareholders' funds at 1 February 2004	<u>364,462</u>	<u>377,520</u>
Shareholders funds at 31 January 2005	<u>424,674</u>	<u>364,462</u>
 10. DIRECTORS' REMUNERATION		
Emoluments	<u>16,800</u>	<u>10,500</u>

BALDWIN'S AUCTIONS LIMITED

Notes to the Financial Statements for the year ended 31st January 2005

11. RELATED PARTY TRANSACTIONS

AHE Baldwin and PD Mitchell are significant shareholders in AH Baldwin & Sons, Limited ["AHB"] and AP de Clermont ["APC"] trades as a Numismatist. AHE Baldwin is also a director of AHB.

During the year AHB bought and sold coins through the company's auctions and was charged commission and premium amounting to £31,317 for these transactions. APC was also charged commission and premium of £4,994 for similar transactions.

AHB made a management charge to the company of £16,000 in respect of office rental and services supplied during the year. In addition AHB charged the company £9,259 in respect of introductory commission and cataloguing fees. APC also charged £5,350 in respect of similar transactions.

From 1st February 2004 to 18th February 2004 the company had made a loan to AHB of £12,000. On 18th February 2004 this loan was increased to £130,884. On 4th November 2004 the sum of £21,228 was repaid and on 28th January 2005 the outstanding amount of £109,656 was repaid. Interest of £5,949, at the rate of 5% per annum, was paid by AHB in respect of this loan.

At 31st January 2005 the sum of £135,080 was due to AHB in respect of auction sale monies and this transaction was outstanding under normal credit terms.

12. EMPLOYEES

The average number of persons, excluding the directors, employed by the company during the year was 4 (2004 - 4).

	2005 £	2004 £
Wages and salaries	86,196	84,663
Pension and permanent health schemes	7,326	8,783
Social security costs	8,888	8,577
	<u>102,410</u>	<u>102,023</u>

13. CLOSED DEFINED BENEFITS PENSION SCHEME

Until 31st March 2001 two of the company's employees were members of the non-contributory pension scheme operated by AH Baldwin & Sons Ltd, which provided benefits based on final pensionable salary.

The directors of AH Baldwin & Sons Ltd were of the opinion that the costs of the scheme were no longer sustainable by the companies and the scheme was closed on 31st March 2001. The last formal valuation prepared by the scheme actuary was at 1st January 2000 when the valuation showed that the level of funding of the scheme was 64%. A provision of £20,000 was carried in these accounts for this company's estimated contribution towards the deficiency of the scheme at 31st March 2001.

The directors of AH Baldwin & Sons Limited have informed the company that the funding level of the pension scheme is now sufficient to meet its liabilities and that no further contribution will be required from this company. The provision for pensions of £20,000 has therefore been released at 31st January 2005.