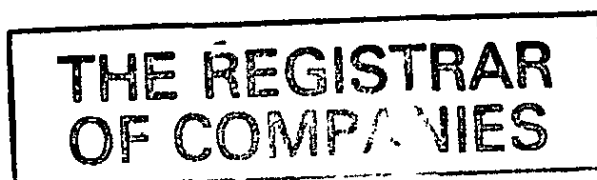


**Company Registration Number 52362**

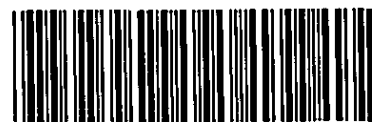
Hope's Auction Company Limited

**Abbreviated Accounts**

31 March 2007



TUESDAY



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03/07/2007

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COMPANIES HOUSE

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 2007**

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Abbreviated balance sheet	<b>2</b>
Notes to the abbreviated accounts	<b>3 to 5</b>

# **HOPE'S AUCTION COMPANY LIMITED**

## **INDEPENDENT AUDITOR'S 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 2007 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 auditor's 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 AUDITOR**

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

28<sup>th</sup> June 2007

ARMSTRONG WATSON  
Chartered Accountants  
& Registered Auditors



# HOPE'S AUCTION COMPANY LIMITED

## ABBREVIATED BALANCE SHEET

31 MARCH 2007

	Note	2007		2006	
		£	£	£	£
<b>FIXED ASSETS</b>	<b>2</b>				
Intangible assets			50,000		-
Tangible assets			1,846,422		1,070,194
			<u>1,896,422</u>		<u>1,070,194</u>
<b>CURRENT ASSETS</b>					
Stocks		15,080		5,070	
Debtors		1,031,151		962,113	
Investments		425		409	
		<u>1,046,656</u>		<u>967,592</u>	
<b>CREDITORS: Amounts falling due within one year</b>	<b>3</b>	<u>1,003,354</u>		<u>726,801</u>	
<b>NET CURRENT ASSETS</b>			<u>43,302</u>		<u>240,791</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,939,724</u>		<u>1,310,985</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	<b>4</b>		754,830		4,167
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>			-		7,860
			<u>1,184,894</u>		<u>1,298,958</u>
<b>CAPITAL AND RESERVES</b>					
Called-up share capital	5		263,000		263,000
Profit and loss account			921,894		1,035,958
<b>SHAREHOLDERS' FUNDS</b>			<u>1,184,894</u>		<u>1,298,958</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 <sup>27<sup>th</sup> June 2007</sup> and are signed on their behalf by

  
MR D A HARRISON

  
MR J T WILSON C A

The notes on pages 3 to 5 form part of these abbreviated accounts.

# HOPE'S AUCTION COMPANY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2007

### 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 January 2005)

#### Turnover

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

#### Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life as follows

Goodwill - 5 years straight line

#### 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

# HOPE'S AUCTION COMPANY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

### YEAR ENDED 31 MARCH 2007

#### 1. ACCOUNTING POLICIES *(continued)*

##### 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.

##### Deferred taxation

Deferred tax is provided in respect of the tax effect of all timing differences at the rates of tax expected to apply when the timing differences reverse.

##### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### 2. FIXED ASSETS

	Intangible Assets £	Tangible Assets £	Total £
<b>COST</b>			
At 1 April 2006	–	1,366,007	1,366,007
Additions	50,000	837,129	887,129
Disposals	–	(47,635)	(47,635)
At 31 March 2007	<u>50,000</u>	<u>2,155,501</u>	<u>2,205,501</u>
<b>DEPRECIATION</b>			
At 1 April 2006	–	295,813	295,813
Charge for year	–	38,788	38,788
On disposals	–	(25,522)	(25,522)
At 31 March 2007	<u>–</u>	<u>309,079</u>	<u>309,079</u>
<b>NET BOOK VALUE</b>			
At 31 March 2007	<u>50,000</u>	<u>1,846,422</u>	<u>1,896,422</u>
At 31 March 2006	<u>–</u>	<u>1,070,194</u>	<u>1,070,194</u>

# HOPE'S AUCTION COMPANY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

### YEAR ENDED 31 MARCH 2007

#### 3. CREDITORS: Amounts falling due within one year

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

	2007	2006
	£	£
Bank loans and overdrafts	257,572	74,328
Hire purchase agreements	7,699	7,456
	<u>265,271</u>	<u>81,784</u>

#### 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

	2007	2006
	£	£
Bank loans and overdrafts	750,000	-
Hire purchase agreements	4,830	4,167
	<u>754,830</u>	<u>4,167</u>

#### 5. SHARE CAPITAL

##### Authorised share capital:

	2007	2006
	£	£
255,000 Ordinary shares of £1 each	255,000	255,000
120,000 3 5% Cum Preference shares of £0 067 each	8,000	8,000
	<u>263,000</u>	<u>263,000</u>

##### Allotted, called up and fully paid:

	2007		2006	
	No	£	No	£
Ordinary shares of £1 each	255,000	255,000	255,000	255,000
3 5% Cum Preference shares of £0 067 each	120,000	8,000	120,000	8,000
	<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.