

WALMSLEYS INSURANCE BROKERS LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1994



COMPANY REGISTRATION NUMBER: 297801

WALMSLEYS INSURANCE BROKERS LIMITED

ABBREVIATED ACCOUNTS
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WALMSLEYS INSURANCE BROKERS LIMITED

COMPANY INFORMATION

DIRECTORS

Edward Walmsley
Philip Roy Williams
Mrs Ann Walmsley

SECRETARY

Mrs Ann Walmsley

REGISTERED OFFICE

Walmsley House
35 Dicconson Street
Wigan
WN1 2AS

AUDITORS

John Fairhurst & Co.
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
WN1 2TB

BANKERS

National Westminster Bank Plc
4 Standishgate
Wigan

WALMSLEYS INSURANCE BROKERS LIMITED

AUDITORS' REPORT TO THE DIRECTORS OF
WALMSLEYS INSURANCE BROKERS LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8
OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 4 to 8 together with the financial statements of Walmsleys Insurance Brokers Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 December 1994.

Respective Responsibilities of Directors and Auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 4 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of Opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with the events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part 111 of Schedule 8 to that Act, in respect of the year ended 31 December 1994, and the abbreviated accounts on pages 4 to 8 have been properly prepared in accordance with that Schedule.

Other Information

On 21.6.95 we reported, as auditors of Walmsleys Insurance Brokers Limited to the shareholders on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 December 1994, and our audit report was as follows:-

"We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out in note 1.

Respective Responsibilities of Directors and Auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

WALMSLEYS INSURANCE BROKERS LIMITED

AUDITORS' REPORT TO THE DIRECTORS OF
WALMSLEYS INSURANCE BROKERS LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8
OF THE COMPANIES ACT 1985
(CONTINUED)

Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies."

In our opinion the company is entitled for the year ended 31 December 1994 to take advantage of the exemption conferred by Section 248 of the Companies Act 1985 from the requirement to prepare group accounts.

John Fairhurst & Co

John Fairhurst & Co
Registered Auditor
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
WN1 2TB

Dated: 21.6.95

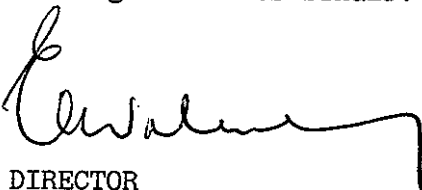
WALMSLEYS INSURANCE BROKERS LIMITED

ABBREVIATED BALANCE SHEET
As at 31 December 1994

| | Notes | 1994 £ | 1993 £ |
|---|-------|------------------|------------------|
| FIXED ASSETS | | | |
| Tangible Assets | 2 | 445,710 | 461,107 |
| Investments | 3 | 205,373 | 19,036 |
| | | <u>651,083</u> | <u>480,143</u> |
| CURRENT ASSETS | | | |
| Debtors | | 391,391 | 285,679 |
| Cash at Bank and In Hand | | 626,231 | 719,164 |
| | | <u>1,017,622</u> | <u>1,004,843</u> |
| CREDITORS: Amounts falling due within one year | | (1,176,014) | (1,051,889) |
| NET CURRENT LIABILITIES | | <u>(158,392)</u> | <u>(47,046)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>492,691</u> | <u>433,097</u> |
| CREDITORS: Amounts falling due after more than one year 4 | | (168,517) | (110,187) |
| PROVISIONS FOR LIABILITIES AND CHARGES | | | |
| Deferred Taxation | | (8,375) | (10,353) |
| | | <u>315,799</u> | <u>312,557</u> |
| CAPITAL AND RESERVES | | | |
| Called Up Share Capital | 5 | 1,500 | 1,500 |
| Revaluation Reserve | | 61,769 | 61,769 |
| Profit & Loss Account | | 252,530 | 249,288 |
| Shareholders' Funds | | <u>315,799</u> | <u>312,557</u> |

The directors have taken advantage, in the preparation of the full financial statements and these abbreviated accounts, of the exemptions conferred by Schedule 8 of the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

Approved by the Board of Directors on 21.6.95
and signed on its behalf:



DIRECTOR

The notes form part of these abbreviated accounts

WALMSLEYS INSURANCE BROKERS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS for the Year Ended 31 December 1994

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with applicable accounting standards. The financial statements include the results of the company's activities described in the directors report, all of which are continuing.

The company has taken advantage of the exemption given in FRS 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

The company and its subsidiaries comprise a small group. The company has therefore taken advantage of section 248 of the Companies Act 1985 not to prepare group accounts. The financial statements therefore present information about the company as an individual undertaking and not about its group.

Turnover

Turnover comprises the invoiced value of services provided by the company, net of value added tax and trade discounts, and arose wholly in the United Kingdom.

Tangible Fixed Assets

Tangible fixed assets are stated at cost or valuation less depreciation.

Depreciation is provided, after taking account of any grants receivable, at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | |
|--------------------|--------------------------------|
| Leasehold Property | - over remaining term of lease |
| Office Furniture | - 15% on reducing balance |
| Computer Equipment | - 20% on reducing balance |
| Office Equipment | - 15% on reducing balance |
| Motor Vehicles | - 25% on reducing balance |

Leasing and Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

WALMSLEYS INSURANCE BROKERS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
for the Year Ended 31 December 1994**

1. ACCOUNTING POLICIES CONTINUED

Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

Deferred Taxation

Provision is made at current rates for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation purposes, using the liability method, only to the extent that, in the opinion of the directors, there is reasonable probability that a liability or asset will crystallise in the foreseeable future.

2. TANGIBLE FIXED ASSETS

| | Leasehold Property £ | Office Furniture £ | Computer Equipment £ |
|--|----------------------------|--------------------------|----------------------------|
| Cost / Valuation | | | |
| As at 1 January 1994 | 230,000 | 15,114 | 134,145 |
| Additions | - | 236 | 18,256 |
| | <hr/> | <hr/> | <hr/> |
| As at 31 December 1994 | 230,000 | 15,350 | 152,401 |
| | <hr/> | <hr/> | <hr/> |
| Depreciation | | | |
| As at 1 January 1994 | - | 5,466 | 75,041 |
| Charge for Year | - | 1,483 | 15,472 |
| | <hr/> | <hr/> | <hr/> |
| As at 31 December 1994 | - | 6,949 | 90,513 |
| | <hr/> | <hr/> | <hr/> |
| Net Book Values | | | |
| As at 31 December 1994 | 230,000 | 8,401 | 61,888 |
| | <hr/> | <hr/> | <hr/> |
| As at 31 December 1993 | 230,000 | 9,648 | 59,104 |
| | <hr/> | <hr/> | <hr/> |
| Net Book Value of Leased Assets - included in above | | | |
| As at 31 December 1994 | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| As at 31 December 1993 | - | - | - |
| | <hr/> | <hr/> | <hr/> |

WALMSLEYS INSURANCE BROKERS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
for the Year Ended 31 December 1994

| | Office Equipment £ | Motor Vehicles £ | Totals £ |
|--|--------------------------|------------------------|-------------|
| Cost / Valuation | | | |
| As at 1 January 1994 | 101,519 | 168,838 | 649,616 |
| Additions | 7,506 | 18,136 | 44,134 |
| Disposals | (517) | (9,035) | (9,552) |
| As at 31 December 1994 | 108,508 | 177,939 | 684,198 |
| Depreciation | | | |
| As at 1 January 1994 | 62,590 | 45,412 | 188,509 |
| Charge for Year | 6,888 | 33,171 | 57,014 |
| Eliminated on Disposals | (288) | (6,747) | (7,035) |
| As at 31 December 1994 | 69,190 | 71,836 | 238,488 |
| Net Book Values | | | |
| As at 31 December 1994 | 39,318 | 106,103 | 445,710 |
| As at 31 December 1993 | 38,929 | 123,426 | 461,107 |
| Net Book Value of Leased Assets - included in above | | | |
| As at 31 December 1994 | - | 33,539 | 33,539 |
| As at 31 December 1993 | - | 96,562 | 96,562 |

3. INVESTMENTS

| | 1994 £ | 1993 £ |
|---|-----------|-----------|
| Investments listed on recognised stock exchange: | | |
| Cost | 9,036 | 3,000 |
| Additions at cost | 13,116 | 6,036 |
| | 22,152 | 9,036 |
| Unlisted investments at cost | 10,000 | 10,000 |
| Additions at cost | 173,221 | - |
| | 205,373 | 19,036 |

Market value of listed investments at 31 December 1994 £101,493(1993 - £116,823).

WALMSLEYS INSURANCE BROKERS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS for the Year Ended 31 December 1994

3. INVESTMENTS (continued)

The Company's investment in its subsidiary undertakings is as follows:

- i) Walmsleys Penlife (Wigan) Limited, a company incorporated in England. Investment represents the cost of acquisition of the whole of the ordinary share capital amounting to £10,000.

The company was dormant throughout the year and at 31 December 1994 the aggregate of share capital and reserves amounted to £5,405.

- ii) Bernard Wood Lancashire Limited, a company incorporated in England. The investment of £172,502 represents the cost of acquisition of the whole of the ordinary share capital. At 30 November 1994, the aggregate of share capital and reserves amounted to £22,251 and the profit for the year was £11,638.

4. CREDITORS: AMOUNTS FALLING AFTER MORE THAN ONE YEAR

| | 1994 £ | 1993 £ |
|---|---------------|---------------|
| Include the following repayable after more than five years | | |
| Bank Loans and Overdrafts (secured) | 44,000 | 50,000 |
| | <u>44,000</u> | <u>50,000</u> |

5. CALLED UP SHARE CAPITAL

| | 1994 £ | 1993 £ |
|----------------------------------|--------------|--------------|
| Authorised | | |
| 1,500 Ordinary Shares of £1 each | 1,500 | 1,500 |
| | <u>1,500</u> | <u>1,500</u> |
| Allotted, Issued and Fully Paid | | |
| 1,500 Ordinary Shares of £1 each | 1,500 | 1,500 |
| | <u>1,500</u> | <u>1,500</u> |

6. CONTINGENT LIABILITY

The net amount of Indemnity Commission included in the accounts is £77,980.