

REALTY & GENERAL INSURANCES LIMITED

ACCOUNTS

31ST DECEMBER 1983

SAFFERY CHAMPNESS
Chartered Accountants



REALTY & GENERAL INSURANCES LIMITED

DIRECTORS' REPORT

The directors submit their report together with the accounts for the year ended 31st December 1983.

1. Directors

The directors of the Company are:

J. N. C. James - Chairman
D. J. A. Tuohey - Managing Director

2. Results and Dividends

The profit on ordinary activities before taxation was £193,393.

The directors do not propose the payment of a dividend.

3. Review of the Business

The Company's principal activity is as insurance managers registered by the Insurance Brokers Registration Council.

The directors do not anticipate any significant change in the activity of the Company and its profitability.

4. Directors' Interests in Share Capital

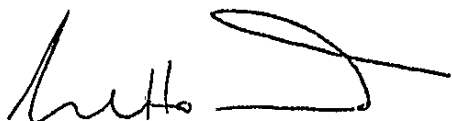
Mr. J. N. C. James is also a director of the holding company and therefore exempt from disclosing his interest in shares in group companies in this report.

Mr. D. J. A. Tuohey had no interest in the share or loan capital of the Company or other group companies as at 1st January or 31st December 1983.

5. Auditors

Messrs. Saffery Champness have expressed their willingness to continue in office as auditors of the Company and a Resolution proposing their re-appointment will be placed before the Annual General Meeting.

By Order of the Board



W. R. HOLLAND
Secretary

14th June 1984

REALTY & GENERAL INSURANCES LIMITED
AUDITORS' REPORT TO THE MEMBERS OF THE COMPANY

We have audited the financial statements on pages 3 to 8
in accordance with approved auditing standards.

In our opinion the financial statements, which have been
prepared under the historical cost convention, give a true and
fair view of the state of the Company's affairs at
31st December 1983 and of its results and source and application
of funds for the year then ended and comply with the
Companies Acts 1948 to 1981.



SAFFERY CHAMPNESS
Chartered Accountants

St. Martins House,
16 St. Martin's-le-Grand,
LONDON,
EC1A 4EP.

14th June 1984

REALTY & GENERAL INSURANCES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 1983

	<u>Notes</u>	<u>1983</u>	<u>1982</u>
<u>Turnover</u> - gross commission received		579,426	492,475
Cost of Sales		264,220	219,445
		<hr/>	<hr/>
Gross profit		315,206	273,030
Other operating expenses - administrative expenses		136,307	130,538
		<hr/>	<hr/>
<u>Operating profit</u>		178,899	142,492
Interest received		14,543	10,200
Bank overdraft interest payable		(49)	(80)
		<hr/>	<hr/>
<u>Profit on ordinary activities before taxation</u>	2	193,393	152,612
Taxation	5	101,372	80,070
		<hr/>	<hr/>
<u>Profit for the year</u>		92,021	72,542
Balance brought forward		370,892	298,350
		<hr/>	<hr/>
<u>Balance carried forward</u>		£ 462,913	£ 370,892
		<hr/> <hr/>	<hr/> <hr/>

REALTY & GENERAL INSURANCES LIMITEDBALANCE SHEET31ST DECEMBER 1983

	<u>Notes</u>	<u>1983</u>	<u>1982</u>
<u>Tangible Fixed Assets</u>	6	8,374	11,202
<u>Current Assets</u>			
Debtors:			
Trade Debtors	53,057		25,920
Due by Grosvenor Estate Holdings	379,970		374,970
Other debtors	7,613		7,612
		<u>440,640</u>	<u>408,502</u>
Cash at bank and in hand		166,107	162,290
		<u>606,747</u>	<u>570,792</u>
<u>Creditors: Amounts falling due within one year</u>			
Trade creditors	29,850		30,497
Other creditors	19,657		99,904
Corporation Tax	102,500		80,500
		<u>152,007</u>	<u>210,901</u>
<u>Net Current Assets</u>		454,740	359,891
<u>Total Assets Less Current Liabilities</u>		<u>£463,114</u>	<u>£371,093</u>
<u>Capital and Reserves</u>			
Called up share capital	8	201	201
Profit and loss account		462,913	370,892
		<u>£463,114</u>	<u>£371,093</u>

Approved by the Board on 14th June 1984

Directors

REALTY & GENERAL INSURANCES LIMITED
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
YEAR ENDED 31ST DECEMBER 1983

	<u>1983</u>	<u>1982</u>
<u>SOURCE OF FUNDS</u>		
<u>Funds generated from operations</u>		
Profit for year after taxation	92,021	72,542
Adjustment for item not involving the movement of funds: depreciation	4,040	3,880
	<hr/>	<hr/>
	£96,061	£76,422
	<hr/>	<hr/>
 <u>APPLICATION OF FUNDS</u>		
<u>General applications</u>		
Purchase of fixed assets	1,212	6,283
 <u>Increase/(decrease) in working capital</u>		
Debtors	27,138	(5,862)
Creditors	85,301	20,900
Taxation	(22,000)	(12,500)
	<hr/>	<hr/>
	90,439	2,538
 <u>Increase in liquid funds</u>		
Bank and cash balances	4,410	67,601
	<hr/>	<hr/>
	£96,061	£76,422
	<hr/>	<hr/>

REALTY & GENERAL INSURANCES LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST DECEMBER 1983

1. ACCOUNTING POLICIES

Basis of Accounting

The accounts have been prepared under the historical cost convention.

Tangible Fixed Assets

Depreciation is provided on office equipment and motor vehicles at rates calculated to write off the cost of these assets evenly over their expected useful lives at 12½% and 25% per annum.

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities before taxation is stated after charging:

	<u>1983</u>	<u>1982</u>
Depreciation	4,040	3,880
Auditors' remuneration	2,300	2,127
	<u> </u>	<u> </u>

3. EMPLOYEES

Staff costs during the year:

Wages and salaries	59,350	53,342
Social security costs	4,085	4,263
Other pension costs	16,612	15,117
	<u> </u>	<u> </u>
	£80,047	£72,722
	<u> </u>	<u> </u>

The average weekly number of persons employed by the Company during the year was:

	<u>Number</u>	<u>Number</u>
Administrative	5	5
	<u> </u>	<u> </u>

REALTY & GENERAL INSURANCES LIMITED

NOTES TO THE ACCOUNTS (Continued)

YEAR ENDED 31ST DECEMBER 1983

4. DIRECTORS' EMOLUMENTS

1983

1982

Staff costs include the following emoluments in respect of directors of the Company

Fees

-

-

Other emoluments

25,405

22,403

£ 25,405

£ 22,403

Emoluments of all those who were directors during the year excluding pension contributions:

Chairman

£ NIL

£ NIL

Highest paid director

£ 19,747

£ 17,323

5. TAXATION

(a) Corporation tax @ 52% (1982 52%) based on the profit for the year

102,500

80,500

Overprovision in respect of previous year

1,128

430

£101,372

£ 80,070

(b) The Company is a close company for the purposes of Corporation Tax. No provision has been made in these accounts for additional tax arising from any apportionment of the income of the Company under Section 94, Finance Act 1972.

REALTY & GENERAL INSURANCES LIMITED

NOTES TO THE ACCOUNTS (Continued)

31ST DECEMBER 1983

6. TANGIBLE FIXED ASSETS

	<u>Office Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
<u>Cost</u>			
1st January 1983	4,706	13,342	18,048
Additions	1,212	-	1,212
	<hr/>	<hr/>	<hr/>
31st December 1983	5,918	13,342	19,260
	<hr/>	<hr/>	<hr/>
<u>Depreciation</u>			
1st January 1983	1,940	4,906	6,846
Charge for year	705	3,335	4,040
	<hr/>	<hr/>	<hr/>
31st December 1983	2,645	8,241	10,886
	<hr/>	<hr/>	<hr/>
Net book value at 31st December 1983	£3,273	£ 5,101	£ 8,374
	<hr/>	<hr/>	<hr/>
Net book value at 31st December 1982	£2,766	£ 8,436	£11,202
	<hr/>	<hr/>	<hr/>

7. CAPITAL COMMITMENTS

At 31st December 1983 there was no capital expenditure contracted for or authorised by the directors (1982 Nil).

8. SHARE CAPITAL

	<u>1983</u>	<u>1982</u>
Authorised:		
2,000 shares of £1 each	£ 2,000	£ 2,000
Issued:		
201 shares of £1 each, fully paid	£ 201	£ 201
	<hr/>	<hr/>

9. ULTIMATE HOLDING COMPANY

The Company is a wholly owned subsidiary company of Grosvenor Estate Holdings, an unlimited company incorporated in England.

10. COMPANIES ACT 1981

These financial statements have been drawn up in accordance with Section 149 of, and Schedule 8 to, the Companies Act 1948 (as amended by Companies Act 1981). Comparative amounts have been restated on a basis that is consistent with the new requirements.