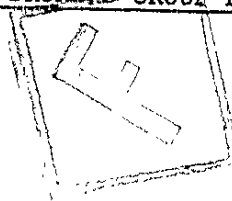


SOUTH ESSEX INSURANCE BROKERS GROUP LIMITED



Ref 449100

51.

REPORT AND ACCOUNTS

YEAR ENDED 31st DECEMBER 1982

SMALLFIELD RAWLINS & CO.

CHARTERED ACCOUNTANTS



SOUTH ESSEX INSURANCE BROKERS GROUP LIMITED

ACCOUNTS
FOR THE YEAR ENDED
31st DECEMBER 1982

I N D E X

1	Report of the Directors
2	Consolidated Profit and Loss Account
3	Consolidated Balance Sheet
4	Balance Sheet
5 - 7	Notes on the Accounts
8	Statement of Source and Application of Funds
9	Report of the Auditors
10	Trading Account

SOUTH ESSEX INSURANCE BROKERS GROUP LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED
31st DECEMBER 1982

Director

B. Fehler

PRINCIPAL ACTIVITY

The principal activity of the Company and of its subsidiary is that of Insurance Brokers, Mortgage and Finance Consultants.

DIRECTORS

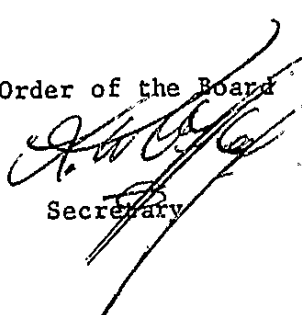
The interests of the Directors in the Share Capital were as follows:

	<u>1982</u>	<u>1981</u>
B. Fehler	1,000	1,000

RESULTS

The profit for the year after taxation to 31st December 1982 amounts to £1,556 (1981 £10,587) which gives rise to reserves carried forward of £19,439.

By Order of the Board


Secretary

Peartree House,
North Road,
South Ockenden,
Essex.

SOUTH ESSEX INSURANCE BROKERS GROUP LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE
YEAR ENDED 31st DECEMBER 1982

	<u>Notes</u>	<u>1982</u>	<u>1981</u>
PROFIT FOR THE YEAR		39,769	4,771
After Charging:			
Directors Remuneration		18,900	22,450
Depreciation		21,419	14,212
Audit Fee		5,100	4,525
Interest Paid		1,165	1,416
		<u> </u>	<u> </u>
TAXATION	3	16,543	(1,054)
		<u> </u>	<u> </u>
PROFIT FOR THE YEAR AFTER TAXATION		23,226	5,825
RESERVES BROUGHT FORWARD		13,121	7,296
		<u> </u>	<u> </u>
RESERVES CARRIED FORWARD		£ 36,347	£ 13,121
		<u> </u>	<u> </u>

SOUTH ESSEX INSURANCE BROKERS GROUP LIMITED
CONSOLIDATED BALANCE SHEET AT 31st DECEMBER 1982

	<u>Notes</u>	<u>1982</u>	<u>1981</u>
FIXED ASSETS	2	129,073	110,935
GOODWILL	4	34,000	34,000
CURRENT ASSETS			
Show Horses		19,900	14,100
Debtors and Prepayments		55,258	33,378
Directors Account		462	-
Cash at Bank and in Hand		58,330	61,569
		133,950	109,047
CURRENT LIABILITIES			
Insurance Companies		76,014	83,019
Creditors and Accrued Charges		80,771	69,477
Bank Overdraft (Secured)		43,118	43,618
Directors Account		-	517
Corporation Tax due 1st October 1983		16,543	-
		216,446	196,631
NET CURRENT (LIABILITIES)		(82,496)	(87,584)
TOTAL NET ASSETS		£ 80,577	£ 57,351
Representing:			
SHARE CAPITAL			
Authorised, Issued and Fully Paid		1,000	1,000
1,000 Ordinary Shares of £1 each			
RESERVES	5	79,577	56,351
		£ 80,577	£ 57,351

) Director


Approved by the Board of Directors on

18/7/83

SOUTH ESSEX INSURANCE BROKERS GROUP LIMITED

BALANCE SHEET AT 31st DECEMBER 1982

	<u>Notes</u>	<u>1982</u>	<u>1981</u>
FIXED ASSETS	2	55,215	55,872
GOODWILL	4	34,000	34,000
INVESTMENT IN SUBSIDIARY	6	1,000	1,000
LOAN TO SUBSIDIARY		20,000	20,000
CURRENT ASSETS			
Amounts due from Subsidiary		8,471	32,720
Debtors and Prepayments		10,287	4,689
		18,758	37,409
CURRENT LIABILITIES			
Creditors and Accrued Charges		31,310	42,354
Bank Overdraft (Secured)		32,412	43,618
Directors Account		196	196
Corporation Tax due 1st October 1983		1,386	-
		65,304	86,168
NET CURRENT (LIABILITIES)		(46,546)	(48,759)
TOTAL NET ASSETS		£ 63,669	£ 62,113
Representing:			
SHARE CAPITAL			
Authorised, Issued and Fully Paid		1,000	1,000
1,000 Ordinary Shares of £1 each			
RESERVES	5	62,669	61,113
		£ 63,669	£ 62,113


) Director

Approved by the Board of Directors on

18/1/83

SOUTH ESSEX INSURANCE BROKERS GROUP LIMITED

NOTES ON THE ACCOUNTS FOR THE
YEAR ENDED 31st DECEMBER 1982

1. ACCOUNTING POLICIES

- i) The accounts have been prepared on the Historical Cost Basis as modified by the revaluation of the long term leasehold properties.
- ii) The depreciation policy is as follows:
 - a) Leasehold Properties are depreciated over the life of the leases on a straight line basis.
 - b) Fixed Assets are depreciated at the following rates:-

Office Furniture	10% Straight Line Basis
Motor Vehicles	25% Straight Line Basis
- iii) Commission, other than life commission, is credited to the Profit and Loss Account in accordance with accounts agreed with insurance companies. Life commissions are credited to the Profit and Loss Account as they are received.
- iv) The accounts have been prepared in accordance with Section 149A and Schedule 8A of the 1948 Companies Act.

2. FIXED ASSETS

<u>Holding Company</u>	<u>Long Term Leasehold Properties</u>
Cost or Valuation at 1st January 1982 and 31st December 1982	58,500
Depreciation at 1st January 1982	2,628
Charge for the year	657
Depreciation at 31st December 1982	3,285
Net Book Value	
At 31st December 1982	£55,215
At 31st December 1981	£55,872

SOUTH ESSEX INSURANCE BROKERS GROUP LIMITED

NOTES ON THE ACCOUNTS FOR THE
YEAR ENDED 31st DECEMBER 1982

(Continued)

2. FIXED ASSETS (Continued)

<u>Group</u>	<u>Long Term Leasehold Properties</u>	<u>Office Furniture and Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
Cost or Valuation at 1st January 1982	58,500	50,609	41,637	150,746
Additions	-	5,350	38,015	43,365
Disposals	-	-	(17,924)	(17,924)
Cost or Valuation at 31st December 1982	58,500	55,959	61,728	176,187
Depreciation at 1st January 1982	2,628	14,536	22,647	39,811
Disposals	-	-	(14,116)	(14,116)
Charge for the year	657	5,332	15,430	21,419
Depreciation at 31st December 1982	3,285	19,868	23,961	47,114
Net Book Value				
At 31st December 1982	£ 55,215	£ 36,091	£ 37,767	£ 129,073
At 31st December 1981	£ 55,872	£ 36,073	£ 18,990	£110,935

3. TAXATION

- i) United Kingdom Corporation Tax has been provided at the rate of 40% on profits for the year.
- ii) No provision has been made for deferred taxation as it is expected that future capital expenditure will cover all potential liabilities as they fall due. The total potential liability unprovided is £12,068.

4. GOODWILL

This amount represents the payments made to Oriden (Southern) Limited to acquire their life assurance business.

SOUTH ESSEX INSURANCE BROKERS GROUP LIMITED

NOTES ON THE ACCOUNTS FOR THE
YEAR ENDED 31st DECEMBER 1982

(Continued)

5. RESERVES

	<u>Holding Company</u>		<u>Group</u>	
	<u>1982</u>	<u>1981</u>	<u>1982</u>	<u>1981</u>
Profit and Loss Account	19,439	17,883	36,347	13,121
Capital Reserve - Property Revaluation	43,230	43,230	43,230	43,230
	<u>£62,669</u>	<u>£61,113</u>	<u>£79,577</u>	<u>£56,351</u>

6. INVESTMENT IN SUBSIDIARY

The investment in subsidiary company, South Essex Insurance Brokers Limited, is shown at cost. The company is wholly owned and incorporated in England.

SOUTH ESSEX INSURANCE BROKERS GROUP LIMITED
STATEMENT OF SOURCE AND APPLICATION OF FUNDS CONSOLIDATED
FOR THE YEAR ENDED 31st DECEMBER 1982

	<u>1982</u>	<u>1981</u>
SOURCE OF FUNDS		
Profit before Taxation	39,769	4,771
Adjustment for items not involving the movement of funds:		
Depreciation	21,419	14,212
Profit on Sale of Fixed Assets	(1,542)	(1,762)
	<u>19,877</u>	<u>12,450</u>
Total Generated from operations	59,646	17,221
OTHER SOURCES		
Sale of Fixed Assets	5,350	9,366
Taxation Provision Written Back	-	1,054
	<u>5,350</u>	<u>10,420</u>
	64,996	27,641
APPLICATION OF FUNDS		
Purchase of Fixed Assets	43,365	21,215
Payment of Goodwill	-	5,250
Payment of Mortgage	-	3,000
	<u>43,365</u>	<u>29,465</u>
	£ 21,631	£ (1,824)
INCREASE/(DECREASE) IN WORKING CAPITAL		
Increase/(Decrease) in Debtors and Prepayments	27,680	(10,490)
Increase in Creditors and Accruals	(4,289)	(19,855)
Directors Account	979	39
Movement in Net Liquid Funds	(2,739)	28,482
	<u>£ 21,631</u>	<u>£ (1,824)</u>

REPORT OF THE AUDITORS TO THE MEMBERS OF
SOUTH ESSEX INSURANCE BROKERS GROUP LIMITED

We have audited the Accounts set out on Pages 2 to 8 in accordance with approved Auditing Standards.

In our opinion the Accounts, which have been prepared under the historical cost convention, give a true and fair view of the state of affairs at 31st December 1982 and of the profit and source and application of funds for the year ended on that date and comply with the Companies Acts 1948 to 1981, in so far as the provisions of those Acts apply to these financial statements.

Beadle House,
47/49, Borough High Street,
London Bridge, SE1 1NJ

Chartered Accountants.

SOUTH ESSEX INSURANCE BROKERS GROUP LIMITED

TRADING ACCOUNT
FOR THE YEAR ENDED 31st DECEMBER 1982

	<u>1982</u>	<u>1981</u>
Commission Earned	<u>10,003</u>	<u>24,286</u>
Commission Payable	2,597	9,343
Legal and Professional Fees	2,142	1,725
Bank Interest	1,165	1,528
Directors Emoluments	-	1,000
Audit and Accountancy Fees	500	500
Depreciation	657	657
	<u>7,061</u>	<u>14,753</u>
PROFIT FOR THE YEAR	<u>£ 2,942</u>	<u>£ 9,533</u>