

WALMSLEY WILLIAMS LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001



WALMSLEY WILLIAMS LIMITED

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for the Year Ended 31 December 2001**

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WALMSLEY WILLIAMS LIMITED

COMPANY INFORMATION
for the Year Ended 31 December 2001

DIRECTORS:

E Walmsley
P R Williams

SECRETARY:

Mr Edward Walmsley

REGISTERED OFFICE:

Walmsley House
35 Dicconson Street
Wigan
Lancashire
WN1 2AS

REGISTERED NUMBER:

858800 (England and Wales)

AUDITORS:

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

WALMSLEY WILLIAMS LIMITED

**REPORT OF THE DIRECTORS
for the Year Ended 31 December 2001**

The directors present their report with the financial statements of the company for the year ended 31 December 2001.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of dormant company holding shares in subsidiary

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No interim dividend was paid during the year. The directors recommend a final dividend of 55.47 per share.

The total distribution of dividends for the year ended 31 December 2001 will be £40,000.

DIRECTORS

The directors during the year under review were:

E Walmsley
P R Williams

The beneficial interests of the directors holding office on 31 December 2001 in the issued share capital of the company were as follows:

	31.12.01	1.1.01
Ordinary £1 shares		
E Walmsley	250	250
P R Williams	361	361

The balance of shares of 110 £1 ordinary shares are held in a trust in the name of Edward Walmsley & John Fairhurst Trustees Limited.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements 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 period. In preparing those financial statements, the directors are required to

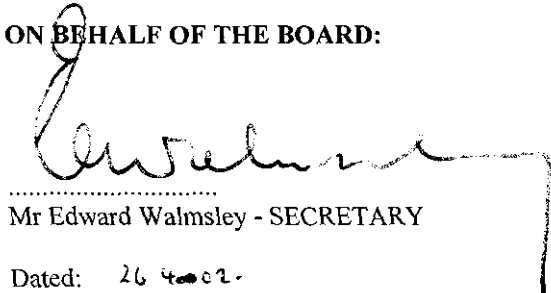
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

AUDITORS

The auditors, John Fairhurst & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


.....
Mr Edward Walmsley - SECRETARY

Dated: 26 Dec 2001

WALMSLEY WILLIAMS LIMITED

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
WALMSLEY WILLIAMS LIMITED**

We have audited the financial statements of Walmsley Williams Limited for the year ended 31 December 2001 on pages four to eight. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

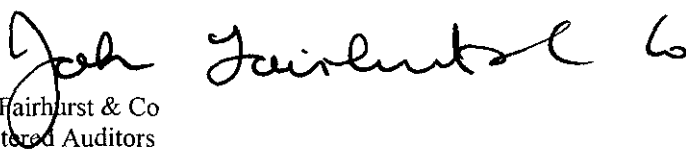
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


John Fairhurst & Co
Registered Auditors

Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
WN1 2TB

Dated:

1 May 2002

WALMSLEY WILLIAMS LIMITED

PROFIT AND LOSS ACCOUNT
for the Year Ended 31 December 2001

		<u>2001</u>	<u>2000</u>
	Notes	£	£
TURNOVER		-	-
OPERATING PROFIT	2	-	-
Income from investments		<u>88,889</u>	<u>88,889</u>
		88,889	88,889
Interest payable and similar charges	3	<u>4,300</u>	<u>6,364</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		84,589	82,525
Tax on profit on ordinary activities	4	<u>8,889</u>	<u>8,889</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		75,700	73,636
Dividends	5	<u>40,000</u>	<u>40,000</u>
		35,700	33,636
Retained profit brought forward		<u>170,491</u>	<u>136,855</u>
RETAINED PROFIT CARRIED FORWARD		<u>£206,191</u>	<u>£170,491</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

WALMSLEY WILLIAMS LIMITED

BALANCE SHEET
31 December 2001

		<u>2001</u>		<u>2000</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Investments	6		313,119		313,119
CURRENT ASSETS:					
Debtors	7	6,632		7,224	
Cash at bank		<u>31</u>		<u>31</u>	
		6,663		7,255	
CREDITORS: Amounts falling due within one year	8	<u>78,470</u>		<u>80,362</u>	
NET CURRENT LIABILITIES:			<u>(71,807)</u>		<u>(73,107)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			241,312		240,012
CREDITORS: Amounts falling due after more than one year	9		<u>34,400</u>		<u>68,800</u>
			<u>£206,912</u>		<u>£171,212</u>
CAPITAL AND RESERVES:					
Called up share capital	11		721		721
Profit and loss account			<u>206,191</u>		<u>170,491</u>
SHAREHOLDERS' FUNDS:	12		<u>£206,912</u>		<u>£171,212</u>

ON BEHALF OF THE BOARD:


.....
E Walmsley - DIRECTOR


.....
P R Williams - DIRECTOR

Approved by the Board on 26.4.2002

The notes form part of these financial statements

WALMSLEY WILLIAMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2001

1. ACCOUNTING POLICIES

Basis of consolidation

The company has taken advantage of the exemptions available to it as a medium size company in not preparing consolidated group financial statements.

Accounting convention

The financial statements have been prepared under the historical cost convention.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2001 £	2000 £
Directors' emoluments	<u>-</u>	<u>-</u>

3. INTEREST PAYABLE AND SIMILAR CHARGES

	2001 £	2000 £
Loan	<u>4,300</u>	<u>6,364</u>

4. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	2001 £	2000 £
Income tax on dividend received	<u>8,889</u>	<u>8,889</u>

5. DIVIDENDS

	2001 £	2000 £
Equity shares: Final - ordinary shares	<u>40,000</u>	<u>40,000</u>

6. FIXED ASSET INVESTMENTS

COST:

At 1 January 2001 and 31 December 2001	<u>313,119</u>
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NET BOOK VALUE:

At 31 December 2001	<u>313,119</u>
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At 31 December 2000	<u>313,119</u>
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	2001 £	2000 £
Unlisted investments	<u>313,119</u>	<u>313,119</u>

WALMSLEY WILLIAMS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2001**

6. FIXED ASSET INVESTMENTS - continued

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

Walmsleys Insurance Brokers Ltd
Nature of business: Insurance Brokers

Class of shares:	%	
Ordinary	holding	
	100.00	

	2001	2000
	£	£
Aggregate capital and reserves	260,065	254,940
Profit for the year	<u>85,125</u>	<u>89,102</u>

The company purchased the issued share capital of Walmsleys Insurance Brokers Ltd on the 31 January 1998.

**7. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2001	2000
	£	£
Amounts due from group company	<u>6,632</u>	<u>7,224</u>

**8. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2001	2000
	£	£
6% Loan notes (see note 10)	34,400	34,400
Other creditors	6,388	6,388
Directors' current accounts	33,898	33,898
Accrued expenses	<u>3,784</u>	<u>5,676</u>
	<u>78,470</u>	<u>80,362</u>

**9. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2001	2000
	£	£
6% Loan notes (see note 10)	<u>34,400</u>	<u>68,800</u>

WALMSLEY WILLIAMS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2001**

10. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2001 £	2000 £
Amounts falling due within one year or on demand:		
6% Loan notes	<u>34,400</u>	<u>34,400</u>
Amounts falling due between one and two years:		
6% Loan notes	<u>34,400</u>	<u>34,400</u>
Amounts falling due between two and five years:		
6% Loan notes	<u>-</u>	<u>34,400</u>

11. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2001	2000
		£1	£	£
1,000	Ordinary		<u>1,000</u>	<u>1,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2001	2000
		£1	£	£
721	Ordinary		<u>721</u>	<u>721</u>

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001 £	2000 £
Profit for the financial year	75,700	73,636
Dividends	<u>(40,000)</u>	<u>(40,000)</u>
Net addition to shareholders' funds	35,700	33,636
Opening shareholders' funds	<u>171,212</u>	<u>137,576</u>
Closing shareholders' funds	<u>206,912</u>	<u>171,212</u>
Equity interests	<u>206,912</u>	<u>171,212</u>

13. CONTROLLING PARTY

The director Mr P R Williams holds the controlling interest in this company by owning 361 £1 ordinary shares.

WALMSLEY WILLIAMS LIMITED

PROFIT AND LOSS ACCOUNT
for the Year Ended 31 December 2001

	<u>2001</u>		<u>2000</u>	
	£	£	£	£
Income		-		-
Other income:				
Dividends received		<u>88,889</u>		<u>88,889</u>
		88,889		88,889
		<hr/>		<hr/>
		88,889		88,889
Finance costs:				
Loan		<u>4,300</u>		<u>6,364</u>
NET PROFIT		<u><u>£84,589</u></u>		<u><u>£82,525</u></u>