

**BUPA COMMUNICATIONS LIMITED**

(Registered No. 1133110)

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 1994**



**BUPA COMMUNICATIONS LIMITED**

**REPORT OF THE DIRECTORS**

**FOR THE YEAR ENDED 31 DECEMBER 1994**

The Directors present their annual report and the audited financial statements for the year ended 31 December 1994.

**1. Principal activities**

The principal activities of the company are the development and communication of health related information and acting as agent for insurance products not underwritten by BUPA.

**2. Review of the Business and future prospects**

On 1 January 1994, the company acquired the net assets and business undertakings of its fellow subsidiary BUPA Corporate Risks Limited. The Directors consider the development of the company during the year to be satisfactory, and do not foresee any significant changes in the forthcoming year.

**3. Results and dividends**

The profit for the year, after taxation, amounted to £129,713 ( 1993 - loss £5,612 ).  
No dividend is proposed for 1994 (1993 - £nil ).

**4. Directors and Directors' interests**

The names of persons who were Directors at any time during the year are as follows:

E W Lea (Chairman)  
P J Garrard-Cole  
P M B Smythe

There were no Directors' interests requiring disclosure under Section 234 of the Companies Act 1985.

**5. Directors' and Officers' liability insurance**

During the year the company's ultimate holding company, the British United Provident Association Limited, purchased insurance on behalf of the Directors and Officers of BUPA and its subsidiary undertakings, as permitted under Section 310 of the Companies Act 1985.


**6. Auditors**

On 6 February 1995 our auditors changed the name under which they practise to KPMG and, accordingly, have signed their report in their new name. In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

**Registered Office :**

Provident House  
24/27 Essex Street  
London WC2R 3AX  
16 March 1995

**By order of the Board**

  
**J P Sanders**  
Secretary

## **BUPA COMMUNICATIONS LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

The following statement, which should be read in conjunction with the auditors' report set out on page 3, is made for the purpose of clarifying the respective responsibilities of the Directors and the auditors in the preparation of the financial statements.

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 ;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements ; and
- 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.

## **REPORT OF THE AUDITORS**

### **TO THE MEMBERS OF BUPA COMMUNICATIONS LIMITED**

We have audited the financial statements set out on pages 4 to 9 .

#### **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.

#### **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.

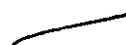
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 affairs of the company at 31 December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**London**

**16 March 1995**

**KPMG**  
  
**KPMG**  
**Chartered Accountants**  
**Registered Auditors**

**BUPA COMMUNICATIONS LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 1994**

	<i>Note</i>	1994 £	1993 £
<b>Turnover</b>		1,045,989	19,787
Administrative expenses		<u>(852,962)</u>	<u>(28,163)</u>
<b>Profit/(loss) on ordinary activities</b>			
<b>before taxation</b>	2	193,027	(8,376)
Tax on profit/(loss) on ordinary activities	5	<u>(63,314)</u>	<u>2,764</u>
<b>Retained profit/(loss) for the financial year</b>	9	<u><u>129,713</u></u>	<u><u>(5,612)</u></u>

There were no recognised gains and losses other than the profit for the financial year.

There were no material differences between reported profit and losses and historical profit and losses on ordinary activities before and after taxation.

**BUPA COMMUNICATIONS LIMITED**

**BALANCE SHEET AS AT 31 DECEMBER 1994**

	<i>Note</i>	1994 £	£	1993 £	£
<b>Current assets</b>					
Debtors	6	314,739		6,856	
<b>Creditors: amounts falling due within one year</b>	7	<u>(430,494)</u>		<u>(252,324)</u>	
<b>Net current liabilities</b>			<u>(115,755)</u>		<u>(245,468)</u>
<b>Total assets less current liabilities</b>			<u>(115,755)</u>		<u>(245,468)</u>
 <b>Capital and reserves</b>					
Called-up share capital	8	10,000		10,000	
Profit and loss account	9	(125,755)		(255,468)	
			<u>(115,755)</u>		<u>(245,468)</u>

These financial statements were approved by the Board of Directors on 16 March 1995 and were signed on its behalf by:



**E W Lea**

**Director**

**BUPA COMMUNICATIONS LIMITED**

**STATEMENT OF ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 31 DECEMBER 1994**

**(a) Basis of preparation**

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards, and on a going concern basis in view of the letter of support from BUPA Investments Limited, which undertakes to provide or procure such support as is necessary to enable the company to meet its liabilities as they fall due.

**(b) Cash flow statement**

The company has taken advantage of an exemption under FRS 1 for wholly-owned subsidiary undertakings not to produce a cash flow statement. A consolidated cash flow statement is included in the accounts of The British United Provident Association Limited, the ultimate holding company.

**(c) Turnover**

Turnover represents the total amount earned by the company in the ordinary course of business with other group undertakings for goods supplied and services rendered after deducting trade discounts and value added tax, where applicable. All turnover arises within the United Kingdom.

**(d) Taxation**

The charge for taxation is based on the result for the year and takes into account taxation deferred due to timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred taxation only to the extent that it is probable that a liability will crystallise.

## **BUPA COMMUNICATIONS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **1. Ultimate holding company**

The ultimate holding company is The British United Provident Association Limited, which is registered in England and Wales. A copy of the consolidated financial statements of that company may be obtained from The Registrar of Companies, Cardiff, CF4 3UZ.

#### **2. Profit on ordinary activities before taxation**

	1994	1993
	£	£
<b>Profit/(loss) on ordinary activities is stated</b>		
<i>after charging:</i>		

Auditors' remuneration	1,600	1,763
Other operating costs	851,362	26,400
	<u>852,962</u>	<u>28,163</u>

#### **3. Staff costs**

The company had no employees during the year ( 1993 - nil ) and consequently incurred no staff costs.

#### **4. Directors' Remuneration**

No remuneration was paid to any of the directors for the year (1993 - £nil ).

#### **5. Taxation**

The taxation charge / (credit ) is based on the result for the year :

	1994	1993
	£	£
Corporation tax at 33% (1993 - 33%)	63,699	-
Group relief	-	(2,764)
	<u>63,699</u>	<u>(2,764)</u>
<b>Taxation (over)/under provided prior years:</b>		
Corporation tax	(68,124)	-
Group relief	67,739	-
	<u>63,314</u>	<u>(2,764)</u>



# **BUPA COMMUNICATIONS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **6. Debtors**

	1994 £	1993 £
<b>Amounts falling due within one year:</b>		
Amounts owed by group undertakings	172,488	1,856
Other debtors	72,274	5,000
Prepayments and accrued income	69,977	-
	<u>314,739</u>	<u>6,856</u>

### **7. Creditors**

	1994 £	1993 £
<b>Amounts falling due within one year :</b>		
Amounts owed to group undertakings	364,171	247,982
Corporation Tax liability	63,699	-
Other creditors	2,624	4,342
	<u>430,494</u>	<u>252,324</u>

### **8. Share capital**

	1994 £	1993 £
Authorised		
20,000 ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>
Allotted, called-up and fully paid		
10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

### **9. Reserves**

	Profit and loss account £
At 1 January 1994	(255,468)
Retained profit for the financial year	129,713
At 31 December 1994	<u>(125,755)</u>

## **BUPA COMMUNICATIONS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **10. Reconciliation of movement in Shareholders' Funds**

	1994	1993
	£	£
Profit/(loss) for the financial year	129,713	(5,612)
Opening Shareholders' funds	<u>(245,468)</u>	<u>(239,856)</u>
Closing Shareholders' funds	<u><u>(115,755)</u></u>	<u><u>(245,468)</u></u>

#### **11. Contingent liabilities**

The company has given a guarantee and other undertakings, as part of the Group banking arrangements, in respect of the overdraft of certain other Group undertakings.

#### **12. Commitments**

The company has no obligations in respect of future capital expenditure.