

**PRIESTLEY & PARTNERS (INSURANCE)  
BROKERS LIMITED**

**FINANCIAL STATEMENTS**

**FOR**

**30TH SEPTEMBER 2002**

**Company Registration Number 1278058**



**EDWARDS VEEDER**

Chartered Accountants & Registered Auditors  
Bank House  
260/8 Chapel Street  
Salford  
MANCHESTER M3 5JZ

# **PRIESTLEY & PARTNERS (INSURANCE) BROKERS LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 30TH SEPTEMBER 2002**

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# **PRIESTLEY & PARTNERS (INSURANCE) BROKERS LIMITED**

## **THE DIRECTORS' REPORT**

### **YEAR ENDED 30TH SEPTEMBER 2002**

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30th September 2002.

#### **PRINCIPAL ACTIVITIES**

The principal activity of the company during the year was that of Insurance Brokers.

#### **THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY**

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £0.01 each	
	At 30 September 2002	At 1 October 2001
MR N R SWIFT	65,000	65,000
MR B R McGLAULIN	<u>35,000</u>	<u>35,000</u>

#### **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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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**

A resolution to re-appoint Edwards Veeder as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

**PRIESTLEY & PARTNERS (INSURANCE) BROKERS LIMITED**

**THE DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 30TH SEPTEMBER 2002**

**SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:  
Whitehead House  
Pacific Road  
Altrincham  
Cheshire  
WA14 5BJ

Signed by order of the directors



MR B R McGLAULIN  
Company Secretary

Approved by the directors on 31/10/02

# **PRIESTLEY & PARTNERS (INSURANCE) BROKERS LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS**

### **YEAR ENDED 30TH SEPTEMBER 2002**

We have audited the financial statements on pages 5 to 11 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 7.

#### **RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities on page 1.

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 directors' report 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 directors' report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

#### **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.

**PRIESTLEY & PARTNERS (INSURANCE) BROKERS LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS** *(CONTINUED)*

**YEAR ENDED 30TH SEPTEMBER 2002**

**OPINION**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th September 2002 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Bank House  
260/8 Chapel Street  
Salford

MANCHESTER

M3 5JZ

11/11/2002



EDWARDS VEEDER  
Chartered Accountants  
& Registered Auditors

# PRIESTLEY & PARTNERS (INSURANCE) BROKERS LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 30TH SEPTEMBER 2002

	Note	2002 £	2001 £
<b>TURNOVER</b>		<b>628,931</b>	412,899
Administrative expenses		<u>402,939</u>	<u>303,106</u>
<b>OPERATING PROFIT</b>	<b>2</b>	<b>225,992</b>	109,793
Interest receivable		16,524	11,493
Amounts written off investments	3	<u>(81,605)</u>	<u>—</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>160,911</b>	121,286
Tax on profit on ordinary activities	4	<u>49,151</u>	<u>24,743</u>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<b>111,760</b>	96,543
Equity dividends paid		<u>60,000</u>	<u>48,000</u>
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		<b>51,760</b>	48,543
Balance brought forward		<u>132,270</u>	<u>83,727</u>
Balance carried forward		<u><u>184,030</u></u>	<u><u>132,270</u></u>

# PRIESTLEY & PARTNERS (INSURANCE) BROKERS LIMITED

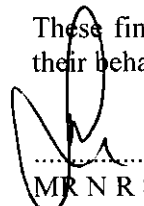
## BALANCE SHEET

YEAR ENDED 30TH SEPTEMBER 2002

	Note	2002 £	2001 £
<b>FIXED ASSETS</b>			
Tangible assets	5	39,300	13,932
Investments	6	276,020	—
		<u>315,320</u>	<u>13,932</u>
<b>CURRENT ASSETS</b>			
Debtors	7	771,624	363,300
Cash at bank and in hand		668,949	318,966
		<u>1,440,573</u>	<u>682,266</u>
<b>CREDITORS: Amounts falling due within one year</b>	8	<u>1,365,700</u>	<u>562,928</u>
<b>NET CURRENT ASSETS</b>		<u>74,873</u>	<u>119,338</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>390,193</u>	<u>133,270</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	9	<u>200,000</u>	<u>—</u>
		<u>190,193</u>	<u>133,270</u>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>			
Deferred taxation	10	5,163	—
		<u>185,030</u>	<u>133,270</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	12	1,000	1,000
Profit and Loss Account		184,030	132,270
<b>SHAREHOLDERS' FUNDS</b>		<u>185,030</u>	<u>133,270</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the directors on the 11/11/2002 and are signed on their behalf by:

  
MR N R SWIFT

  
MR B R McGLAULIN



**PRIESTLEY & PARTNERS (INSURANCE) BROKERS LIMITED****NOTES TO THE FINANCIAL STATEMENTS****30TH SEPTEMBER 2002****1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared under the historical cost convention,, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer Costs	-	25%
Fixtures & Fittings	-	25%

**Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

**Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

# PRIESTLEY & PARTNERS (INSURANCE) BROKERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

30TH SEPTEMBER 2002

### 2. OPERATING PROFIT

Operating profit is stated after charging:

	2002	2001
	£	£
Directors' emoluments	75,312	71,056
Staff pension contributions	49,230	33,149
Depreciation	13,060	4,644
Auditors' fees	<u>3,886</u>	<u>3,886</u>

### 3. AMOUNTS WRITTEN OFF INVESTMENTS

	2002	2001
	£	£
Amount W/O investments	<u>81,605</u>	—
Total write off charge	<u>81,605</u>	<u>—</u>

### 4. TAX ON PROFIT ON ORDINARY ACTIVITIES

#### Taxation

	2002	2001
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 20% (2001 - 20%)	43,995	25,400
Adjustment in respect of previous years:		
Corporation tax	(7)	(657)
Total current tax	<u>43,988</u>	<u>24,743</u>
Increase in deferred tax provision		
Capital allowances	5,163	—
	<u>5,163</u>	—
Total deferred tax (note 10)	<u>5,163</u>	—
Tax on profit on ordinary activities	<u>49,151</u>	<u>24,743</u>

# PRIESTLEY & PARTNERS (INSURANCE) BROKERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

30TH SEPTEMBER 2002

### 5. TANGIBLE FIXED ASSETS

	Computer Equipment £	Fixtures & Fittings £	Total £
<b>COST</b>			
At 1st October 2001	24,437	—	24,437
Additions	27,092	11,336	38,428
<b>At 30th September 2002</b>	<u>51,529</u>	<u>11,336</u>	<u>62,865</u>
<b>DEPRECIATION</b>			
At 1st October 2001	10,505	—	10,505
Charge for the year	10,224	2,836	13,060
<b>At 30th September 2002</b>	<u>20,729</u>	<u>2,836</u>	<u>23,565</u>
<b>NET BOOK VALUE</b>			
<b>At 30th September 2002</b>	<u>30,800</u>	<u>8,500</u>	<u>39,300</u>
At 30th September 2001	<u>13,932</u>	—	<u>13,932</u>

### 6. INVESTMENTS

#### Acquisition of Wenswell Limited

The Company acquired the entire share capital of Wenswell Limited on the 31<sup>st</sup> May.

From this date the trading activities of Wenswell Limited were continued through this Company.

The acquisition costs are to be written off over the period of purchase.

	£
<b>COST:</b>	
Additions	357,625
<b>At 30th September 2002</b>	<u>357,625</u>
<b>AMOUNTS WRITTEN OFF:</b>	
Written off in year	81,605
<b>At 30th September 2002</b>	<u>81,605</u>
<b>NET BOOK VALUE:</b>	
<b>At 30th September 2002</b>	<u>276,020</u>

### 7. DEBTORS

	2002 £	2001 £
Trade debtors	769,746	363,130
Prepayments and accrued income	1,878	170
	<u>771,624</u>	<u>363,300</u>

# PRIESTLEY & PARTNERS (INSURANCE) BROKERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

30TH SEPTEMBER 2002

### 8. CREDITORS: Amounts falling due within one year

	2002 £	2001 £
Trade creditors	1,155,415	479,707
Other creditors including taxation and social security:		
Corporation tax	43,995	25,400
PAYE and social security	11,706	4,668
Directors current accounts	60,000	48,000
Purchase of Wenswell Limited	75,000	—
Accruals and deferred income	19,584	5,153
	<u>210,285</u>	<u>83,221</u>
	<u>1,365,700</u>	<u>562,928</u>

### 9. CREDITORS: Amounts falling due after more than one year

	2002 £	2001 £
Purchase of Wenswell Limited	<u>200,000</u>	<u>—</u>

### 10. DEFERRED TAXATION

	2002 £	2001 £
The movement in the deferred taxation provision during the year was:		
Profit and Loss Account movement arising during the year	<u>5,163</u>	<u>—</u>
Provision carried forward	<u>5,163</u>	<u>—</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2002 £	2001 £
Excess of taxation allowances over depreciation on fixed assets	<u>5,163</u>	<u>—</u>
	<u>5,163</u>	<u>—</u>

### 11. RELATED PARTY TRANSACTIONS

The company was under the control of Mr Swift throughout the current and previous year. Mr Swift is the managing director and majority shareholder.

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

# **PRIESTLEY & PARTNERS (INSURANCE) BROKERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**30TH SEPTEMBER 2002**

### **12. SHARE CAPITAL**

#### **Authorised share capital:**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
100,000 Ordinary shares of £0.01 each	<b><u>1,000</u></b>	<b><u>1,000</u></b>

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Ordinary share capital	<b><u>1,000</u></b>	<b><u>1,000</u></b>

### **13. PENSION COMMITMENTS**

The Directors review the Company's pension contributions policy annually.