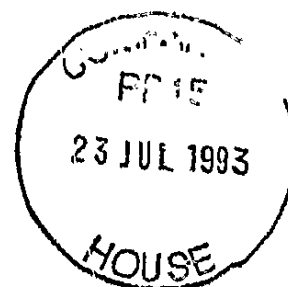


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ASPEN INSURANCE BROKERS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS 1992



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ASPEN INSURANCE BROKERS LIMITED

Registered in England

Number 1324965

DIRECTORS:

N.F. Worgan
D. Simmons
D. Holden

SECRETARY:

A. J. McRae

REGISTERED OFFICE:

28-32 Shelton Street,
London.
WC2H 9HP

AUDITORS:

KPMG Peat Marwick,
Chartered Accountants,
Registered Auditors,
Welsh Street Chambers,
Chepstow,
Gwent,
NP6 5LN.

BANKERS:

National Westminster Bank PLC.,
21 Lombard Street,
London,
EC3P 3AR.

ASPEN INSURANCE BROKERS LIMITED
DIRECTORS' REPORT 1992

The Directors present their Annual Report, together with the audited financial statements for the year ended 31st December 1992.

1. ULTIMATE HOLDING COMPANY

The company is a wholly owned subsidiary of Aspen Direct Marketing Limited.

The ultimate holding company is Aspen Communications PLC, a company incorporated in England.

2. DIRECTORS AND THEIR INTERESTS

The Directors who served during the year were:

N.F. Worgan
D. Simmons
D. A. Holden (appointed 27.1.92)

The interests of Mr Worgan, who is also a director of Aspen Communications PLC., are shown in the Directors Report of that company.

The interests of Mr Simmons, who is also a director of Aspen Direct Marketing Limited, are shown in the Directors Report of that company

3. BUSINESS REVIEW

The principal activity of the company continues to be that of insurance consultants.

The results for the year are shown in the Profit and Loss Account.

4. DIVIDEND

The company paid an interim dividend of £32,000 during the year. (1991: £Nil). The directors propose a final dividend of £8,000 (1991: £Nil).

5. TAX STATUS

The company is a Close Company as defined by the Income and Corporation Taxes Act 1988.

6. FIXED ASSETS


Significant changes are shown in the Notes to the Financial Statements.

ASPEN INSURANCE BROKERS LIMITED

DIRECTORS' REPORT 1992 (Cont'd)

7. AUDITORS

In accordance with Section 385 of the Companies Act 1985, a resolution proposing the re-appointment of KPMG Peat Marwick as auditors, and authorising the Directors to fix their remuneration, will be put to the forthcoming Annual General Meeting.



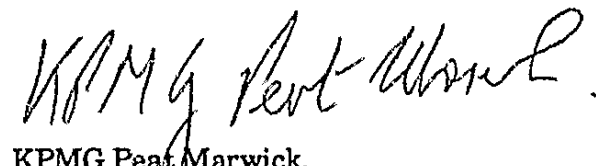
By Order of the Board
29th March 1993

A. J. McRae
Secretary

**REPORT OF THE AUDITORS
TO THE MEMBERS OF ASPEN INSURANCE BROKERS LIMITED**

We have audited the financial statements on pages 4 to 9 in accordance with Auditing Standards.

In our opinion, the financial statements give a true and fair view of the state of the company's affairs at 31st December 1992 and of its Loss for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



KPMG Peat Marwick,
Chartered Accountants,
Registered Auditors,
Welsh Street Chamber,
Chepstow,
Gwent,
NP6 5LN.

29th March 1993

ASPEN INSURANCE BROKERS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 1992

	NOTE	1992 £	1991 £
TURNOVER	1.	300,423	368,363
Cost of Sales		(41,275)	(5,145)
		<hr/>	<hr/>
GROSS PROFIT		259,148	363,218
Administrative Expenses		(283,024)	(59,829)
		<hr/>	<hr/>
OPERATING (LOSS)/PROFIT		(23,876)	303,389
Interest Payable less Receivable	4.	(117)	2,862
		<hr/>	<hr/>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2.	(23,993)	306,251
Taxation	5.	412	(102,400)
		<hr/>	<hr/>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(23,581)	203,851
Dividends		(90,000)	-
		<hr/>	<hr/>
(LOSS)/RETAINED PROFIT FOR THE FINANCIAL YEAR		(113,581)	203,851
Balance Brought Forward		673,067	469,216
		<hr/>	<hr/>
RETAINED PROFIT CARRIED FORWARD		£559,486	£673,067
		=====	=====

The attached notes form part of these financial statements.

ASPEN INSURANCE BROKERS LIMITED
BALANCE SHEET AT 31ST DECEMBER 1992

	NOTE	1992 £	1991 £
FIXED ASSETS			
Tangible Assets	6.	37,887	16,186
CURRENT ASSETS			
Stocks	7.	228,763	4,980
Debtors		433,019	883,641
Cash at Bank		426,055	50,390
		<u>1,087,837</u>	<u>939,011</u>
CREDITORS: Amounts falling due within one year	8.	(516,238)	(231,730)
NET CURRENT ASSETS		<u>571,599</u>	<u>707,281</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>609,486</u>	<u>723,467</u>
PROVISION FOR LIABILITIES AND CHARGES			
Deferred Taxation	9.	-	(400)
NET ASSETS		<u>£609,486</u> =====	<u>£723,067</u> =====
CAPITAL AND RESERVES			
Called Up Share Capital	10.	50,000	50,000
Profit and Loss Account		559,486	673,067
		<u>£609,486</u>	<u>£723,067</u>
SHAREHOLDERS' FUNDS		<u>£609,486</u> =====	<u>£723,067</u> =====

These financial statements were approved by the Board of Directors at a meeting held on 29th March 1993.

N.F. Worgan

D. A. Holden

Directors

The attached notes form part of these financial statements.

ASPEN INSURANCE BROKERS LIMITED
NOTES TO THE 1992 FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the financial statements of the company are described below. The financial statements have been prepared under the historical cost convention.

a) Turnover and Cost of Sales

Turnover represents commissions receivable in respect of premiums paid in the accounting period. Where the company undertakes specific projects, commission receivable is computed over the estimated life of the project and apportioned to the respective accounting periods.

Costs of sales comprise commissions payable and direct costs of specific projects apportioned over their estimated life.

b) Depreciation

Depreciation is provided to write off the cost of fixed assets on a straight line basis in equal annual instalments over their estimated useful lives as follows:-

Equipment	-	5 years
Motor Vehicles	-	4 years

c) Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value.

d) Foreign Currencies

Transactions documented in foreign currencies are translated into sterling and recorded at the rates of exchange ruling at the date of the transaction. Balances dominated in foreign currencies are translated into sterling at the exchange rates at the balance sheet date.

e) Taxation

Taxation charges are computed at the rates applicable to the financial year. Deferred taxation is calculated on the liability method and is provided in accordance with SSAP 15 on those timing differences which the directors consider cannot be expected with reasonable probability to continue for the foreseeable future.

ASPEN INSURANCE BROKERS LIMITED
NOTES TO THE 1992 FINANCIAL STATEMENTS (Cont'd)

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging the following:

	1992 £	1991 £
Depreciation	10,576	1,073
Auditors' Remuneration	4,000	3,500
	=====	=====

3. EMOLUMENTS OF DIRECTORS

The emoluments, other than pension contributions, of the Directors were as follows:

	1992	1991
Chairman	£Nil	£Nil
	=====	=====
Highest Paid Director	£58,094	£Nil
	=====	=====

Number of Directors

	1992	1991
£Nil	2	3
£55,001 - £60,000	1	-
	=====	=====

4. INTEREST PAYABLE LESS RECEIVABLE

	1992 £	1991 £
Payable to Group Undertakings	(10,241)	-
Receivable from Group Undertakings	8,533	3,121
Payable on Bank Loans, Overdrafts and Other Loans Wholly Repayable Within 5 Years	-	(259)
Bank Interest Receivable	1,591	-
	=====	=====
	£(117)	£2,862
	=====	=====

ASPEN INSURANCE BROKERS LIMITED
NOTES TO THE 1992 FINANCIAL STATEMENTS (Cont'd)

8. CREDITORS: Amounts falling due within one year	1992 £	1991 £
Dividend Payable	8,000	-
Trade Creditors	167,641	42,912
Amounts owed to Group Undertakings	136,614	63
Accruals	10,389	5,800
Corporation Tax	130,392	130,455
Group Loss Relief	52,500	52,500
Other Taxes and Social Security	10,702	-
	<hr/>	<hr/>
	£516,238	£231,730
	=====	=====

9. DEFERRED TAXATION

	1991 £	1991 £
a) Movement in year		
At 1st January 1992	400	-
(Release)/Charge for the Year	(400)	400
	<hr/>	<hr/>
At 31st December 1992	-	£400
	=====	=====
b) Represented by		
Allowances exceeding depreciation	-	£400
	=====	=====

The above figures represent the full potential liability at 33%.

10. CALLED UP SHARE CAPITAL

The Authorised, Allotted, Called Up and Fully Paid Share capital comprises 50,000 £1 Ordinary Shares.

11. PARENT UNDERTAKING

The company is a subsidiary undertaking of Aspen Communications PLC, a company registered in England. The results of the company are incorporated in the accounts of that company and the consolidated accounts of the group are available to the public.