

BUPA CORPORATE RISKS LIMITED

(Registered No. 1404329)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1994



BUPA CORPORATE RISKS 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. Review of the Business and future prospects

The company ceased to trade on 1 January 1994. On 1 January 1994, the whole of the company's net assets were transferred at net book value to BUPA Communications Limited.

2. Results and dividends

During the year the company received no income and incurred no expenditure. No dividend is proposed for 1994 (1993 - £nil).

3. Directors and Directors' interests

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

E W Lea (Chairman)
R F Hymas
A R W Large (Resigned 2/3/94)

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

4. 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.

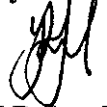
5. Auditors

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. A special Resolution that the auditors not be re-appointed in accordance with section 250 of the Companies Act 1985 will 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 CORPORATE RISKS 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 CORPORATE RISKS 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 have been properly prepared in accordance with the Companies Act 1985.

London

16 March 1995

KPMG

KPMG
Chartered Accountants
Registered Auditors

BUPA CORPORATE RISKS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1994

	<i>Note</i>	1994 £	1993 £
Turnover		-	736,449
Administrative expenses		-	(526,370)
Profit on ordinary activities before taxation	2	-	210,079
Tax on profit on ordinary activities	5	-	(68,924)
Retained profit for the financial year	9	-	141,155

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

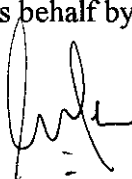
There were no material differences between reported profit and losses and historical profit and losses on ordinary activities before and after taxation.

BUPA CORPORATE RISKS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 1994

	<i>Note</i>	1994	1993
		£	£
Current assets			
Debtors	6	364,171	553,607
Creditors: amounts falling due within one year	7	-	(189,436)
Net current assets		<u>364,171</u>	<u>364,171</u>
Total Assets less current liabilities		<u><u>364,171</u></u>	<u><u>364,171</u></u>
Capital and reserves			
Called-up share capital	8	2	2
Profit and loss account	9	364,169	364,169
		<u><u>364,171</u></u>	<u><u>364,171</u></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 CORPORATE RISKS 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.

(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.

BUPA CORPORATE RISKS 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

Profit on ordinary activities is stated	1994 £	1993 £
<i>after charging:</i>		
Auditors' remuneration	-	1,763

3. Staff costs

The company had no employees during the period 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 on profit on ordinary activities

The taxation charge is based on the result for the year :

	1994 £	1993 £
Corporation tax on income at 33% (1993 - 33%)	-	69,340
	-	69,340
Taxation (over)/under provided in previous years :		
Corporation tax	-	(108,476)
Group relief	-	108,060
	-	68,924

BUPA CORPORATE RISKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

6. Debtors

	1994 £	1993 £
Amounts falling due within one year:		
Amounts owed by group undertakings	364,171	509,430
Trade debtors	-	44,177
	<u>364,171</u>	<u>553,607</u>

7. Creditors

	1994 £	1993 £
Amounts falling due within one year :		
Amounts owed to group undertakings	-	108,060
Other creditors including taxation	-	81,376
	<u>-</u>	<u>189,436</u>

8. Share capital

	1994 £	1993 £
Authorised		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
 Allotted, called-up and fully paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

9. Reserves

	Profit and loss account £
At 1 January 1994	364,169
Retained profit for the financial year	-
At 31 December 1994	<u>364,169</u>

BUPA CORPORATE RISKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

10. Reconciliation of movement in Shareholders' Funds

	1994	1993
	£	£
Profit/(loss) for the financial year	-	141,155
Opening Shareholders' funds	364,171	223,016
Closing Shareholders' funds	<u>364,171</u>	<u>364,171</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.