

**REGISTRAR
OF COMPANIES**

HYDEAN INSURANCE SERVICES LIMITED

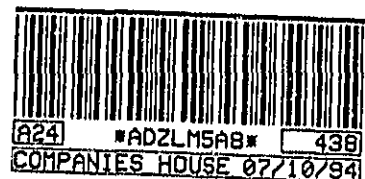
DIRECTORS' REPORT

AND

FINANCIAL STATEMENTS

YEAR ENDED 30TH APRIL, 1994

COMPANY NUMBER: 01649818



HYEDEAN INSURANCE SERVICES LIMITED

YEAR ENDED 30TH APRIL, 1994

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HYDEAN INSURANCE SERVICES LIMITED
OFFICERS, ADDRESSES AND GENERAL INFORMATION
30TH APRIL, 1994

BOARD OF DIRECTORS:	Mrs. Pamela Brenda Baker Clive John Heath
COMPANY SECRETARY:	Mrs. Pamela Brenda Baker
COMPANY NUMBER:	01649818 (England and Wales)
REGISTERED OFFICE:	Hydean House, 27, Gloucester Road, Ross-on-Wye, Herefordshire.
REGISTERED AUDITORS:	Thorne & Co., Chartered Accountants, 1, St. Mary's Street, Ross-on-Wye, Herefordshire.
BANKERS:	Lloyds Bank P.L.C., 50, High Street, Ross-on-Wye, Herefordshire.
ADMINISTRATIVE OFFICE:	Hydean House, 27, Gloucester Road, Ross-on-Wye, Herefordshire.

HYDEAW INSURANCE SERVICES LIMITED

DIRECTORS' REPORT

The directors present their report together with the audited financial statements of the company for the year ended 30th April, 1994.

Principal Activities and Review of the Business

The principal activity of the company during the accounting period remained that of insurance brokerage. The directors consider that the results for the year were satisfactory. The overall trend since 30th April 1994 continues to be encouraging.

Results and Dividends

The trading profit for the year, after taxation, amounted to £12,570 (1993 - profit £16,614). Net interim dividends of £5,000 were paid in July 1993, £6,667 in October 1993 and £3,333 in April 1994. The directors do not recommend the payment of a final ordinary dividend.

Fixed Assets

The changes in tangible fixed assets during the year are summarised in the notes to the financial statements. The company owned no intangible fixed assets.

Directors and their Interests

The directors who served during the year are as stated on page 1. Their interests (including family interests) in the share capital of the company were as follows:-

Ordinary £1 Shares

	<u>30th April, 1994</u>	<u>1st May, 1993</u>
Mrs. P.D. Baker	12	12
C.J. Heath	36	36

Charitable and Political Contributions

During the accounting year under review the company did not make any material charitable or political contributions.

Close Company

The company is a close company within the provisions of S.414 Income and Corporation Taxes Act 1988.

WYEDEAN INSURANCE SERVICES LIMITED

DIRECTORS' REPORT (CONTINUED)

Auditors

Messrs Thorne & Co. will continue in office as auditors of the company.

This report was approved by the board on 31st August 1994.

Signed on behalf of the directors,



P.B. Baker

HYDEAN INSURANCE SERVICES 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:-

- i) select suitable accounting policies and then apply them consistently
- ii) make judgements and estimates that are reasonable and prudent;
- iii) 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.

HYEDEAN INSURANCE SERVICES LIMITED

AUDITORS' REPORT

YEAR ENDED 30TH APRIL 1994

TO THE MEMBERS OF HYEDEAN INSURANCE SERVICES LIMITED

We have audited the financial statements on pages 6 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 9 and 10.

Respective responsibilities of directors and auditors

As described on page 4 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 company's affairs at 30th April 1994 and of its profit and cash flow for the financial year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

Thorne & Co. *Thorne C*

CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS

Date: 7th September 1994

1, St. Mary's Street,
Ross-on-Wye,
Herefordshire.

WYEDEAN INSURANCE SERVICES LIMITED

PROFIT AND LOSS ACCOUNT AND RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

YEAR ENDED 30TH APRIL, 1994

	Notes	£	£	£	1993 £
TURNOVER	1		106,715		106,851
Establishment costs		13,272		12,182	
Administrative expenses		78,022		76,719	
			(91,294)		(88,901)
OPERATING PROFIT	2		15,421		17,950
Interest receivable		2,039		4,328	
Interest payable		(552)		(-)	
			1,487		4,328
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			16,908		22,278
Tax on profit on ordinary activities	5		(4,338)		(5,664)
PROFIT FOR THE FINANCIAL YEAR			12,570		16,614
Dividends	6		(15,000)		(15,000)
RETAINED (LOSS)/PROFIT FOR THE YEAR			(2,430)		1,614
Retained profit brought forward			18,785		17,171
BALANCE AT 30TH APRIL 1994			16,355		18,785
ORDINARY SHARE CAPITAL			120		120
SHAREHOLDERS FUNDS AT 30TH APRIL 1994			16,475		18,905

There were no discontinued operations or acquisitions during the year.

There were no recognised gains or losses other than those reflected in the profit and loss account.

The notes on pages 9 to 15 form part of these financial statements.

WYDEAN INSURANCE SERVICES LIMITED

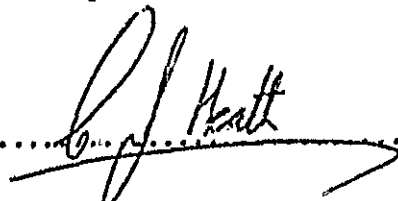
BALANCE SHEET

30TH APRIL, 1994

30th April, 1993

	Notes	£	£	£	£
TANGIBLE FIXED ASSETS	8		11,100		11,300
CURRENT ASSETS					
Debtors	9	2,389		2,580	
Cash at bank - Clients' Account		44,344		52,238	
Cash at bank and in hand - Office Account		8,110		9,805	
		54,843		64,623	
CREDITORS: amounts falling due within one year	10	(49,016)		(56,037)	
NET CURRENT ASSETS			5,827		8,586
TOTAL ASSETS LESS CURRENT LIABILITIES			16,927		19,886
CREDITORS: amounts falling due after more than one year	11	(452)		(981)	
PROVISION FOR LIABILITIES AND CHARGES		NIL	(452)	NIL	(981)
			16,475		18,905
CAPITAL AND RESERVES					
Called up Share Capital	12		120		120
Profit and Loss Account			16,355		18,785
SHAREHOLDERS FUNDS			16,475		18,905

Approved by the board of directors on 31st August 1994 and signed on its behalf.

.....Directors.....

The notes on pages 9 to 15 form part of these financial statements.

HYDEAN INSURANCE SERVICES LIMITED

CASH FLOW STATEMENT

YEAR ENDED 30TH APRIL 1994

	<u>Notes</u>	<u>1994</u>		<u>1993</u>	
		£	£	£	£
Net cash flow from operating activities	13		13,907		26,295
Returns on investments and servicing of finance:					
Interest paid		(-)		(-)	
Dividends paid		(15,000)		(15,000)	
Net cash outflow from returns on investments and servicing of finance:			(15,000)		(15,000)
Taxation:					
Tax paid			(4,051)		(6,255)
Investing activities:					
Payments to acquire tangible fixed assets excluding those on finance lease and hire purchase contracts		(4,100)		(4,653)	
Net cash outflow from investing activities			(4,100)		(4,653)
Net cash (outflow) inflow before financing			(9,244)		387
Financing:					
Capital payments of finance lease and hire purchase rental payments	16	(345)		(527)	
Net cash outflow from financing			(345)		(527)
(Decrease) increase in cash and cash equivalents	14, 15		(9,589)		(140)

The notes on pages 9 to 15 form part of these financial statements.

HYDEAN INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH APRIL, 1994

1. ACCOUNTING POLICIES

Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with applicable standards.

Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is based upon historical cost and the estimated effective lives of the assets concerned.

The tangible fixed assets are depreciated using the reducing balance basis at rates calculated to write them off over the period of their estimated effective lives.

The rates applied are as follows:-

Computer equipment	30%
Other office equipment	25%

Finance and Operating Leases

Assets obtained under finance leases are capitalised as tangible fixed assets and depreciated over the term of their estimated effective lives. Finance leases are defined as those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors, net of the interest element allocated to future periods. This interest element of the contract repayments is charged to profit and loss account on a weighted basis.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

Deferred Taxation

No provision has been made in the financial statements for taxation deferred by reason of capital allowances exceeding depreciation as it is considered by the directors that no material liability to taxation will arise in the foreseeable future as a result of a reversal of these timing differences.

Advertising and Promotion

Advertising costs are written off as incurred.

WYEDEAN INSURANCE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 30TH APRIL 1994

1. ACCOUNTING POLICIES (CONTINUED)

Value Added Tax

Items in the financial statements are shown exclusive of V.A.T. (where appropriate).

Commissions

Credit is taken for commissions in respect of general business transacted by reference to the date on which the net premium is remitted to the insurance company concerned. This date will normally follow closely upon the issue by the insurance company of its periodical statement of account.

Pensions

The company operates a defined contribution pension scheme for certain of its directors and senior employees and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered portfolio.

Turnover

Turnover represents the total value of services provided (mainly commissions) stated net of Value Added Tax (where applicable) and less any proportion rebated to third party intermediaries.

Turnover does not include income from outside the United Kingdom.

HYDEAW INSURANCE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 30TH APRIL, 1994

2. OPERATING PROFIT

	<u>1994</u>	<u>1993</u>
	£	£
Operating profit is stated after charging:		
Directors' remuneration	17,424	16,117
Auditors' remuneration	700	700
Depreciation of tangible fixed assets		
- owned by the company	3,900	4,153
- held under finance leases	400	253
	<hr/>	<hr/>

3. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:-

	<u>1994</u>	<u>1993</u>
	£	£
Salaries	49,014	48,531
Social Security costs	3,792	3,611
Other pension costs	1,500	500
	<hr/>	<hr/>
	54,306	52,642
	<hr/>	<hr/>

The average weekly number of employees, including directors, during the year was as follows:

	<u>1994</u>	<u>1993</u>
Office and administration	6	7
	-	-

WYEDEAN INSURANCE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 30TH APRIL, 1994

4. DIRECTORS' REMUNERATION	<u>1994</u>	<u>1993</u>
	£	£
For services as directors	2,000	2,000
Other emoluments (including pension contributions)	15,424	14,117
	<u>17,424</u>	<u>16,117</u>

5. TAXATION	<u>1994</u>	<u>1993</u>
	£	£
<u>U.K. Current year taxation:</u>		
U.K. corporation tax at 25% (1993 - 25%)	4,338	5,664
<u>Prior years:</u>		
U.K. corporation tax	-	-
	<u>4,338</u>	<u>5,664</u>

6. DIVIDENDS	<u>1994</u>	<u>1993</u>
	£	£
Interim dividends on the £1 ordinary shares	15,000	15,000

7. TRANSACTIONS WITH DIRECTORS

During the financial year the company made an interest-free loan to Mrs. P. B. Baker of an amount not exceeding £2,250.

HYDEAN INSURANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 30TH APRIL, 1994

8. TANGIBLE FIXED ASSETS

	<u>Computer equipment</u>	<u>Other office equipment</u>	<u>Total</u>
	£	£	£
<u>Cost:</u>			
At 1st May, 1993	18,971	10,512	29,483
Additions	3,275	825	4,100
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 30th April, 1994	22,246	11,337	33,583
	<hr/>	<hr/>	<hr/>
<u>Depreciation (Rate)</u>	(30%)	(25%)	
At 1st May, 1993	12,971	5,212	18,183
Provided during year	2,775	1,525	4,300
On Disposals	(-)	(-)	(-)
	<hr/>	<hr/>	<hr/>
At 30th April, 1994	15,746	6,737	22,483
	<hr/>	<hr/>	<hr/>
<u>Net book value:</u>			
At 30th April, 1994	6,500	4,600	11,100
	<hr/>	<hr/>	<hr/>
At 1st May, 1993	6,000	5,300	11,300
	<hr/>	<hr/>	<hr/>

The net book value of "other office equipment" includes assets held under finance lease contracts amounting to £1,200 (1993 - £1,600).

9. DEBTORS

	<u>1994</u>	<u>1993</u>
	£	£
Due within one year:		
Trade debtors	246	188
Other debtors	988	918
Prepayments	675	1,474
Surplus A.C.T. on dividends	480	-
	<hr/>	<hr/>
	2,389	2,580
	<hr/>	<hr/>

HYDEAN INSURANCE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 30TH APRIL, 1994

10. CREDITORS: Amounts falling due within one year

	<u>1994</u> £	<u>1993</u> £
Monies held on behalf of Clients	44,344	52,238
Obligations under finance leases	529	345
Trade creditors	374	286
Current corporation tax	463	664
A.C.T. on interim dividend	968	-
Other taxes and social security costs	1,091	1,317
Accruals	1,247	1,187
	<hr/> 49,016 <hr/>	<hr/> 56,037 <hr/>

11. CREDITORS: Amounts falling due after more than one year

	<u>1994</u>	<u>1993</u>
Obligations under finance leases	£452	£981
	<hr/>	<hr/>

12. CALLED UP SHARE CAPITAL

	<u>1994</u>	<u>1993</u>
<u>Authorised:</u>		
Ordinary shares of £1 each	£50,000	£50,000
	<hr/>	<hr/>
<u>Allotted, called up and fully paid:</u>		
Ordinary shares of £1 each	£120	£120
	<hr/>	<hr/>

13. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATIONS

	<u>1994</u> £	<u>1993</u> £
Operating profit	16,908	22,278
Depreciation charges	4,300	4,406
Decrease (Increase) in debtors	671	(1,247)
(Decrease) Increase in creditors	(7,972)	858
Net Cash Inflow from Operations	<hr/> 13,907 <hr/>	<hr/> 26,295 <hr/>

HYDEAN INSURANCE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 30TH APRIL, 1994

14. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR

	<u>1994</u>	<u>1993</u>
	£	£
Balance at 1st May 1993	62,043	62,183
Net cash (outflow)	(9,589)	(140)
	<hr/>	<hr/>
Balance at 30th April 1994	52,454	62,043
	<hr/>	<hr/>

15. ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS AS SHOWN
 IN THE BALANCE SHEET

	<u>1994</u>	<u>1993</u>	<u>Change</u>	<u>1993</u>	<u>1992</u>	<u>Change</u>
	£	£	£	£	£	£
Cash at bank and in hand	52,454	62,043	(9,589)	62,043	62,183	(140)
Bank overdrafts	(-)	(-)	(-)	(-)	(-)	(-)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	52,454	62,043	(9,589)	62,043	62,183	(140)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

16. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

	<u>Finance leases</u>	<u>Finance leases</u>
	<u>1994</u>	<u>1993</u>
	£	£
Balance at 1st May 1993	1,326	-
New finance lease	-	1,853
Cash (outflow)	(345)	(527)
	<hr/>	<hr/>
Balance at 30th April 1994	981	1,326
	<hr/>	<hr/>