

WYEDEAN INSURANCE SERVICES LIMITED  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> APRIL 2005

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**WYEDEAN INSURANCE SERVICES LIMITED  
OFFICERS, ADDRESSES & GENERAL INFORMATION  
AS AT 30<sup>TH</sup> APRIL 2005**

**Directors:** Mr. P. Sheppard  
Mrs. A. Sheppard

Company Secretary: Mrs. A. Sheppard

**Registered Office:** Wyedean House  
27 Gloucester Road  
Ross on Wye,  
Herefordshire  
HR9 5LE

Company Number: 1649818 Registered in England and Wales

**Auditor:** J P Davies  
2<sup>nd</sup> Floor  
145-157 St John Street,  
London,  
EC1V 4PY

**Bankers:** Midland Bank plc  
32 Gloucester Road  
Ross on Wye,  
Herefordshire

**Administrative  
Office:** Wyedean House  
27 Gloucester Road  
Ross on Wye,  
Herefordshire  
HR9 5LE

**WYEDEAN INSURANCE SERVICES LIMITED  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 30<sup>TH</sup> APRIL 2005**

The Directors present their annual report with the financial statements of the company for the year ended 30<sup>th</sup> April 2005.

**PRINCIPAL ACTIVITY & BUSINESS REVIEW**

The principal activity of the company throughout the year under review was that of Insurance Brokerage. We have focused on new specialist markets that will offer greater profitability. Further increases in Motor Trader and EL/PL risks are pleasing. The directors consider that the results for the year were satisfactory.

**RESULTS AND DIVIDENDS**

The trading profit for the year after taxation came to £10,516 (2004 – £632). The directors do not recommend the payment of a final dividend.

**FIXED ASSETS**

The changes in tangible and intangible fixed assets are summarised in the notes to the financial statements.

**DIRECTORS**

The directors in office during the year and their beneficial interests in the company's issued share capital were as follows:

	Ordinary shares of £1 each	
	2005	2004
P. Sheppard	60	60
Mrs. A. Sheppard	60	60

**WYEDEAN INSURANCE SERVICES LIMITED  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 30<sup>TH</sup> APRIL 2005**

**CHARITABLE AND POLITICAL CONTRIBUTIONS**

The company did not make any material charitable or political contributions during the year.

**CLOSE COMPANY**

The company is a close company within the provisions of Section 414, Income & Corporation Taxes Act 1988.

**ACCOUNTS ADVISOR/AUDITOR**

J P Davies has been appointed following agreement by the board.

Approved by the Board of Directors on 11<sup>th</sup> December 2005 and signed on its behalf:

A handwritten signature in black ink, consisting of several overlapping loops and a vertical stroke, positioned above the printed name and title.

P. SHEPPARD  
Director

11<sup>th</sup> December 2005

**WYEDEAN 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:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- 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 AUDITOR TO THE SHAREHOLDERS OF  
WYEDEAN INSURANCE SERVICES LIMITED  
FOR THE YEAR ENDED 30<sup>TH</sup> APRIL 2005**

I have audited the financial statements which have been prepared under the historical cost convention and the accounting policies set out. I may conclude that.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

The company's directors are responsible for the preparation of financial statements. It is my responsibility to form an independent opinion, based on my audit, on those statements and to report my opinion to you.

**BASIS OF OPINION**

I have audited the financial statements for the year ended 30<sup>th</sup> April 2005 which comprise the Consolidated Profit and Loss Account, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Cash Flow Statement, Notes to the Cash Flow Statement, and the related notes. These financial statements have been prepared on the basis of the accounting policies set out therein.

I conducted my 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me 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 my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

**OPINION**

In my opinion the financial statements give a true and fair view of the state of the company's affairs at 30<sup>th</sup> April 2005 and of its profit and cash flow for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Mr J P Davies  
2005

11<sup>th</sup> December

**Profit and loss account Wyedean Insurance Services Ltd  
for the year ended 30th April 2005**

	Notes	2005 £	2004 £
<b>Turnover:</b>		<b>276,400</b>	<b>252,004</b>
<b>Gross turnover</b>		<b>276,400</b>	<b>252,004</b>
Establishment Costs		-21,500	-21,500
Operating costs (Admin Expenses)		-243,913	-229,003
<b>Operating profit</b>		<b>10,987</b>	<b>1,501</b>
Net interest payable	2	157	189
<b>Profit on ordinary activities before taxation</b>		<b>11,144</b>	<b>1,690</b>
Taxation	4	-628	-1,058
<b>Profit/(loss) on ordinary activities after taxation</b>		<b>10,516</b>	<b>632</b>
Dividends	5	0	0
<b>Retained Profit/(loss) brought forward</b>		<b>48,881</b>	<b>48,249</b>
<b>Retained profit/(loss) carried forward</b>		<b>59,397</b>	<b>48,881</b>
Ordinary Share Capital	12	120	120
<b>Shareholders funds as at 30th April 2005</b>		<b>59,517</b>	<b>49,001</b>

There were no recognised gains or losses relating to 2005 or 2004 other than those included in the above profit and loss account.

**Balance sheet Wydean Insurance Services Ltd**  
**as at 30 April 2005**

	Notes	2005 £	2004 £
<b>Fixed assets</b>			
Intangible assets	8	4,271	6,407
Tangible assets	7	54,003	49,061
Investments		—	0
		—	0
		—	0
		<b>58,274</b>	<b>55,468</b>
<b>Current assets</b>			
Debtors	9	3,490	1,092
Cash at the Bank    Client Account		<b>57,441</b>	51,591
Cash at the Bank    Office Account		<b>9,643</b>	5,677
		<b>70,574</b>	58,360
<b>Creditors: amounts falling due within one year</b>	10	<b>62,686</b>	57,001
<b>Net current liabilities</b>		<b>66,162</b>	<b>56,827</b>
<b>Total assets less current liabilities</b>			
Creditors: amounts falling due after more than one year	11	<b>6,765</b>	7,943
<b>Net assets</b>		<b>59,397</b>	<b>48,884</b>
<b>Capital and reserves</b>			
Called up share capital	12	<b>120</b>	120
<b>Equity shareholders' funds</b>		<b>59,517</b>	<b>49,004</b>



Mr. P Sheppard. M.D.    10th December 2005



**Cash flow statement Wyedean Insurance Services Ltd  
for the year ended 30th April 2005**

	Notes to cash flow	2005 £	2004 £
<b>Net cash inflow from operating activities</b>	<b>14</b>	<b>22,928</b>	<b>15,707</b>
<b>Returns on investments and servicing of finance</b>			
Interest received		157	122
Dividends paid		0	0
		<b>157</b>	<b>122</b>
<b>Taxation</b>			
Corporation tax paid		-628	-1,058
<b>Capital expenditure and financial investment</b>			
Purchase of tangible assets		-9,469	-8,041
Purchase of intangible assets		0	0
Sale of tangible assets		0	0
		<b>-9,469</b>	<b>-8,041</b>
<b>Net Cash Inflow</b>		<b>12,988</b>	<b>6,730</b>
<b>Financing</b>			
Repayment of capital element of hire purchase and finance lease		-402	-1,723
Repayment of loan notes		-2,838	-9,650
<b>Net Cash Outflow</b>		<b>-3,240</b>	<b>-11,373</b>
<b>Increase in cash</b>	<b>15</b>	<b>9,748</b>	<b>-4,643</b>

**Notes to Financial Statement for Wyedean Insurance Services Ltd  
for the year ended 30th April 2005**

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**1. Accounting practises**

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**a) Basis of Accounting**

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

**b) Fixed Assets**

Tangible Assets:

order to write off each asset over it's estimated

Computer Equipment

Other Office Equipment

Motor Vehicles Intangible Asset:

Purchased Goodwill is eliminated by amortisation through the profit and loss account over its useful economic life at the following rate:

20% on cost

30% on written-down-value

25% on written-down-value

25% on written-down-value

**c) Deferred Taxation**

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

**d) Commissions**

Credit is taken for commissions on general business transacted by reference to the date on which the net premium is remitted to the insurance company concerned. This date normally follows soon after the issue by the insurance company of its periodical statement of account.

**e) Pensions**

The company operates a defined contribution pension scheme for a former director and a senior employee. The pension charge represents the amounts paid by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company and independently administered.

**f) Turnover**

Turnover represents the total value of services provided less any proportion rebated to third party intermediaries. Turnover does not include any income from outside the U.K.

	2005 £	2004 £
<b>2. Operating Profit</b>		
Amount written off Tangable Fixed Assets	14,019	13,208
Amount written off Intangible Fixed Assets	2,136	2,150
Directors Remunerations	25,000	25,000
Staff Costs	91,123	79,675
Audit Fees	1,500	1,300
<b>3. Staff Costs</b>		
Salaries	78,632	67,485
Pensions & Social Security	12,491	12,190
Directors emoluments		
Salaries	25,000	25,000
Contributions to pension scheme	1,800	1,800
Average number of employees		
Directors	2	2
Office and Management	7	6
<b>4. Taxation</b>		
Corporation tax paid prior years	0	831
Corporation tax paid	628	227
<b>5. Dividends</b>		
Interim Dividends on Ordinary Shares	0	0
<b>6. Transactions with Directors</b>		

The company benefited from commissions earned on insurance policies of directors and their associates. The amounts are not considered to be material.

**7. Tangable Assets**

	£	£	£	£
	Computers	Other Equip.	Vehicles	Total
<b>Cost</b>				
At the 1st May 2004	89,994	22,296	48,775	161,065
Additions in the Year	9,361	9,645	0	19,006
Disposals in the year	0	0	0	0
At the 30th April 2005	99,355	31,941	48,775	180,071
<b>Depreciation</b>				
At the 1st May 2004	54,683	17,859	39,507	112,049
Charge for the year	10,593	1,109	2,317	14,019
Disposals in the year	0	0	0	0
At 30th April 2005	65,276	18,968	41,824	126,068
<b>Net Book Value</b>				
At 30th April 2005	34,079	12,973	6,951	54,003
At 1st May 2004	35,311	4,437	9,268	49,016

**8. Intangible Assets**

	£	£
	Goodwill	Total
<b>Cost</b>		
At the 1st May 2004	48,751	48,751
Additions in the Year	0	0
Disposals in the year	0	0
At the 30th April 2005	48,751	48,751
<b>Depreciation</b>		
At the 1st May 2004	42,344	42,344
Charge for the year	1,341	1,341
Disposals in the year	795	795
At 30th April 2005	44,480	44,480
<b>Net Book Value</b>		
At 30th April 2005	4,271	4,271
At 1st May 2004	6,407	6,407

**9. Debtors due within one year**

Trade debtors	0	0
Other debtors	0	0
Prepayments	3,490	301
	<b>3,490</b>	<b>301</b>

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**10. Creditors due within one year**

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Monies held on behalf of clients	57,441	51,591
Bank Loan	3,550	2,375
Trade creditors	714	988
Other creditors	0	0
Corporation Tax	628	1,058
Hire Purchase	311	907
Accruals	42	82
	<u>62,686</u>	<u>57,001</u>

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**11. Creditors due in more than one year**

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Bank Loan	5,750	7,125
Hire purchase	1,015	818
	<u>6,765</u>	<u>7,943</u>

The whole this is payable with less than 5 years.

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**12. Called up Share Capital**

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Ordinary shares of £1 each authorised	50,000	50,000
Allotted issue and fully paid	<u>120</u>	<u>120</u>

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**13. Debentures**

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**14. Reconciliation of operating profit to net cash flow from operations**

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Operating profit	11,144	1,690
Depreciation and amortisation	15,360	15,358
Decrease (increase) in debtors	-2,398	-791
Increase (decrease) in creditors	-1,178	-550
Net cashflow from operations	<u>22,928</u>	<u>15,707</u>

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**15. Analysis of changes in cash and cash equivalents for the year**

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Balance as at 1st may 2004	47,768	52,411
Net Change	9,748	-4,643
Balance as at 30th april 2005	<u>57,516</u>	<u>47,768</u>

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**16. Analysis of the balance of cash and cash equivalents as shown in the balance sheet**

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Cash at bank and in hand	57,441	51,591
Office broking account	9,643	5,677
Bank loan	-9,568	-9,500
	<u>57,516</u>	<u>47,768</u>

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**17. Post balance sheet events**

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There have been no significant events since the date of these accounts, which significantly affect their accuracy.