

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2005
FOR
DTE RISK AND FINANCIAL MANAGEMENT
LIMITED

Harold Sharp
Registered Auditors
Holland House
1-5 Oakfield
Sale
Cheshire
M33 6TT



DTE RISK AND FINANCIAL MANAGEMENT
LIMITED

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FOR THE YEAR ENDED 30 APRIL 2005

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**DTE RISK AND FINANCIAL MANAGEMENT
LIMITED**

COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 2005

DIRECTORS:

K R Train
M J MacDonald
J D Davenport
M J McNulty

SECRETARY:

M J MacDonald

REGISTERED OFFICE:

DTE House
Hollins Mount
Unsworth
Bury
Lancashire
BL9 8AT

REGISTERED NUMBER:

01967512 (England and Wales)

AUDITORS:

Harold Sharp
Registered Auditors
Holland House
1-5 Oakfield
Sale
Cheshire
M33 6TT

BANKERS:

Barclays Bank plc
PO Box 357
51 Mosley Street
Manchester
M60 2AU

Bank of Scotland plc
600 Gorgie Road
Edinburgh
EH11 3XP

Bank of Ireland
45 Main Street
Bray
Co. Wicklow

DTE RISK AND FINANCIAL MANAGEMENT
LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 APRIL 2005

The directors present their report with the financial statements of the company for the year ended 30 April 2005.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were those of the provision of advice on products in the financial services sector and acting as general insurance brokers.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

The directors consider the results for the year and the final balance sheet position to be disappointing and expect the present level of activity to continue for the foreseeable future.

On 1 May 2004 the company acquired the trade and business of its subsidiary DTE Insurance Brokers Limited, a company incorporated in England and Wales.

On 7 July 2004 the company purchased the business of David Scott Insurance Services, the total consideration being £111,235 payable in two instalments of £82,920 on 1 July 2004 and £28,315 on 27 September 2005.

DIVIDENDS

No interim dividends were paid. The directors do not recommend the payment of a final dividend.

The total distribution of dividends for the year ended 30 April 2005 will be £nil.

DIRECTORS

The directors during the year under review were:

K R Train	
M J MacDonald	
J D Davenport	
M J McNulty	- appointed 1.5.04
P Jones	- appointed 11.10.04

The beneficial interests of the directors holding office on 30 April 2005 in the issued share capital of the company were as follows:

	30.4.05	1.5.04 or date of appointment if later
Ordinary £1 shares		
K R Train	570	570
M J MacDonald	570	570
J D Davenport	-	-
M J McNulty	-	-
P Jones	-	-

P Jones resigned as a director of the company on 19 August 2005.

DTE RISK AND FINANCIAL MANAGEMENT
LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 APRIL 2005

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.


STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Harold Sharp, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


M J MacDonald - Secretary

Date: 7 February 2006

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
DTE RISK AND FINANCIAL MANAGEMENT
LIMITED

We have audited the financial statements of DTE RISK AND FINANCIAL MANAGEMENT LIMITED for the year ended 30 April 2005 on pages five to twenty. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described on page three the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 Report of the Directors 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 Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 April 2005 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Harold Sharp

Harold Sharp
Registered Auditors
Holland House
1-5 Oakfield
Sale
Cheshire
M33 6TT

Date: *27 February 2006*

**DTE RISK AND FINANCIAL MANAGEMENT
LIMITED**

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 2005**

		<u>30.4.05</u>		<u>30.4.04</u>	
	Notes	£	£	£	£
TURNOVER	2		1,513,148		620,540
Cost of sales			<u>94,977</u>		<u>36,719</u>
GROSS PROFIT			1,418,171		583,821
Administrative expenses			<u>1,529,281</u>		<u>526,716</u>
OPERATING (LOSS)/PROFIT	4		(111,110)		57,105
Income from investments		47,500		-	
Interest receivable and similar income	5	<u>15,684</u>		<u>346</u>	
			<u>63,184</u>		<u>346</u>
			(47,926)		57,451
Interest payable and similar charges	6		<u>7,806</u>		<u>(7,283)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			(55,732)		64,734
Tax on (loss)/profit on ordinary activities	7		<u>(12,636)</u>		<u>12,084</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			(43,096)		52,650
Retained profit brought forward			<u>79,198</u>		<u>26,548</u>
RETAINED PROFIT CARRIED FORWARD			<u><u>£36,102</u></u>		<u><u>£79,198</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the current year and the profit for the previous year.

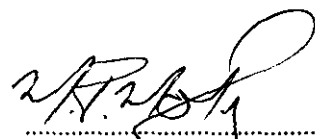
The notes form part of these financial statements

DTE RISK AND FINANCIAL MANAGEMENT
LIMITED

BALANCE SHEET
30 APRIL 2005

		<u>30.4.05</u>		<u>30.4.04</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Intangible assets	8		357,265		54,237
Tangible assets	9		166,014		56,271
Investments	10		<u>1,431</u>		<u>1,431</u>
			524,710		111,939
CURRENT ASSETS:					
Stocks	11	665		300	
Debtors	12	778,697		52,861	
Cash at bank		<u>301,147</u>		<u>21,990</u>	
		1,080,509		75,151	
CREDITORS: Amounts falling due within one year	13	<u>1,264,313</u>		<u>82,881</u>	
NET CURRENT LIABILITIES:			<u>(183,804)</u>		<u>(7,730)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			340,906		104,209
CREDITORS: Amounts falling due after more than one year	14		(282,912)		(13,295)
PROVISIONS FOR LIABILITIES AND CHARGES:	18		<u>(13,751)</u>		<u>(3,575)</u>
			<u>£44,243</u>		<u>£87,339</u>
CAPITAL AND RESERVES:					
Called up share capital	19		2,532		2,532
Share premium	20		5,609		5,609
Profit and loss account			<u>36,102</u>		<u>79,198</u>
SHAREHOLDERS' FUNDS:	24		<u>£44,243</u>		<u>£87,339</u>

ON BEHALF OF THE BOARD:


.....
M J McNulty Director

Approved by the Board on 24/2/06

The notes form part of these financial statements

**DTE RISK AND FINANCIAL MANAGEMENT
LIMITED**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2005**

		<u>30.4.05</u>		<u>30.4.04</u>	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		405,197		60,865
Returns on investments and servicing of finance	2		7,878		(771)
Taxation			(27,431)		(7,422)
Capital expenditure	2		(74,798)		8,627
Equity dividends paid			-		(25,000)
			310,846		36,299
Financing	2		(89,264)		(10,701)
Increase in cash in the period			<u>£221,582</u>		<u>£25,598</u>
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
Increase in cash in the period		221,582		25,598	
Cash outflow from decrease in debt and lease financing			<u>89,264</u>		<u>10,701</u>
Change in net debt resulting from cash flows			310,846		36,299
New finance leases			<u>(138,530)</u>		<u>(15,948)</u>
Movement in net debt in the period			172,316		20,351
Net debt at 1 May			<u>(5,930)</u>		<u>(26,281)</u>
Net funds/(debt) at 30 April			<u>£166,386</u>		<u>£(5,930)</u>

The notes form part of these financial statements

DTE RISK AND FINANCIAL MANAGEMENT
LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2005

1. RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	30.4.05 £	30.4.04 £
Operating (loss)/profit	(111,110)	57,105
Depreciation charges	93,593	20,888
Loss on sale of fixed assets	5,741	-
Profit on sale of fixed assets	-	(2,139)
Decrease/ (Increase) in debtors	437,830	(6,567)
Decrease in creditors	<u>(20,857)</u>	<u>(8,422)</u>
Net cash inflow from operating activities	<u>405,197</u>	<u>60,865</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	30.4.05 £	30.4.04 £
Returns on investments and servicing of finance		
Interest received	15,684	346
Interest paid	(718)	(17)
Interest element of hire purchase payments	<u>(7,088)</u>	<u>(1,100)</u>
Net cash inflow for returns on investments and servicing of finance	<u>7,878</u>	<u>(771)</u>
Capital expenditure		
Purchase of intangible fixed assets	(85,563)	-
Purchase of tangible fixed assets	(38,535)	(6,173)
Sale of tangible fixed assets	<u>49,300</u>	<u>14,800</u>
Net cash (outflow)/inflow for capital expenditure	<u>(74,798)</u>	<u>8,627</u>
Financing		
Loan repayments in year	<u>(89,264)</u>	<u>(10,701)</u>
Net cash outflow from financing	<u>(89,264)</u>	<u>(10,701)</u>

The notes form part of these financial statements

DTE RISK AND FINANCIAL MANAGEMENT
LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2005

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.5.04 £	Cash flow £	Other non-cash changes £	At 30.4.05 £
Net cash:				
Cash at bank	21,990	279,157		301,147
Bank overdraft	-	(57,575)		(57,575)
	<u>21,990</u>	<u>221,582</u>		<u>243,572</u>
Debt:				
Hire purchase	(27,920)	89,264	(138,530)	(77,186)
	<u>(27,920)</u>	<u>89,264</u>	<u>(138,530)</u>	<u>(77,186)</u>
Total	<u>(5,930)</u>	<u>310,846</u>	<u>(138,530)</u>	<u>166,386</u>
Analysed in Balance Sheet				
Cash at bank	21,990			301,147
Bank overdraft	-			(57,575)
Hire purchase				
within one year	(14,625)			(44,274)
after one year	<u>(13,295)</u>			<u>(32,912)</u>
	<u>(5,930)</u>			<u>166,386</u>

4. MAJOR NON-CASH TRANSACTIONS

On 1 May 2004 the assets and liabilities of DTE Insurance Brokers Limited, amounting to £335,750, were transferred to the company and credited to an inter company creditor. During the year this debt was reduced by a dividend of £47,500 and, after taking account of the balance due by DTE Insurance Brokers Limited to the company at 30 April 2004 of £38,250, the amount payable to DTE Insurance Brokers Limited by the company was £250,000. Details of the net assets acquired are as follows:-

	£
Intangible fixed assets	250,402
Tangible fixed assets	144,641
Stock	365
Debtors	1,190,925
Cash at bank	256,273
Bank overdraft	(39,883)
Creditors	(1,256,131)
Hire purchase contracts	(102,581)
Deferred consideration - goodwill	(80,000)
Corporation tax payable	(16,440)
Deferred taxation	<u>(11,821)</u>
	<u>335,750</u>

The notes form part of these financial statements

DTE RISK AND FINANCIAL MANAGEMENT
LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2005

1. ACCOUNTING POLICIES

Accounting convention

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

Group Accounts

The company has taken advantage of the exemption from the requirement to prepare consolidated accounts on the basis that it is a small sized group.

Turnover

Turnover represents the total commission receivable by the company in the ordinary course of business plus premiums receivable in connection with the company's tax dispute protection scheme.

Credit for brokerage commission is taken in the profit and loss account upon the issue of the original debit note to the insured. The company does not receive commission on indemnity terms and thus no provision falls to be included for potential clawbacks. Premiums received in respect of the company's tax dispute protection scheme are credited to turnover pro rata over the period involved.

Goodwill

Goodwill, being amounts paid in connection with business acquisitions is being written off evenly over its estimated useful life of ten years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Office equipment and computers	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Fixed asset investments

Fixed asset investments are stated at cost, less any permanent diminution in value.

**DTE RISK AND FINANCIAL MANAGEMENT
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2005**

2. TURNOVER

The turnover and loss (2004 - profit) before taxation are attributable to the principal activities of the company.

	30.4.05 £	30.4.04 £
Total amount of brokerage commission earned in the year		
- from UK	1,502,085	620,540
- from other EC countries	<u>(6,746)</u>	<u>-</u>
	1,495,339	620,540
Fee protection scheme income	<u>17,809</u>	<u>-</u>
	<u><u>1,513,148</u></u>	<u><u>620,540</u></u>

3. STAFF COSTS

	30.4.05 £	30.4.04 £
Wages and salaries	924,287	328,106
Social security costs	93,355	26,803
Other pension costs	<u>10,534</u>	<u>4,879</u>
	<u><u>1,028,176</u></u>	<u><u>359,788</u></u>

The average monthly number of employees during the year was as follows:

	30.4.05	30.4.04
Management and administration	8	2
Sales and general administration	<u>33</u>	<u>11</u>
	<u><u>41</u></u>	<u><u>13</u></u>

DTE RISK AND FINANCIAL MANAGEMENT
LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2005

4. OPERATING (LOSS)/PROFIT

The operating loss (2004 - operating profit) is stated after charging/(crediting):

	30.4.05	30.4.04
	£	£
Depreciation - owned assets	17,613	7,930
Depreciation - assets on hire purchase contracts	36,728	6,785
Loss/(Profit) on disposal of fixed assets	5,741	(2,139)
Goodwill written off	39,252	6,173
Auditors' remuneration	7,663	2,988
Operating leases - buildings	57,000	24,000
Other operating leases	<u>9,165</u>	<u>10,152</u>
 Directors' emoluments	 189,710	 62,208
Directors' pension contributions to money purchase schemes	<u>4,007</u>	<u>1,977</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>1</u>
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5. INTEREST RECEIVABLE AND SIMILAR INCOME

	30.4.05	30.4.04
	£	£
Bank interest received	<u>15,684</u>	<u>346</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	30.4.05	30.4.04
	£	£
Bank interest	683	17
Late payment of PAYE interest	35	(8,400)
Hire purchase interest	<u>7,088</u>	<u>1,100</u>
	<u>7,806</u>	<u>(7,283)</u>

DTE RISK AND FINANCIAL MANAGEMENT
LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2005

7. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss on ordinary activities for the year was as follows:

	30.4.05	30.4.04
	£	£
Current tax:		
UK corporation tax	-	10,991
Adjustment to previous years	(10,991)	<u>-</u>
Total current tax	(10,991)	10,991
Deferred taxation	(1,645)	<u>1,093</u>
Tax on (loss)/profit on ordinary activities	<u>(12,636)</u>	<u>12,084</u>

UK corporation tax was charged at 19% in 2004.

Factors affecting the tax (credit)/charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	30.4.05	30.4.04
	£	£
(Loss)/profit on ordinary activities before tax	<u>(55,732)</u>	<u>64,734</u>
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2004 - 19%)	(10,589)	12,299
Effects of:		
Items not allowable for tax purposes	4,785	193
Depreciation in excess of capital allowances	1,999	(570)
Non taxable items	(9,025)	(931)
Losses carried forward	<u>1,839</u>	<u>-</u>
Current tax (credit)/charge	<u>(10,991)</u>	<u>10,991</u>

DTE RISK AND FINANCIAL MANAGEMENT
LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2005

8. INTANGIBLE FIXED ASSETS

	<u>Goodwill</u>
	£
COST:	
At 1 May 2004	61,730
Additions	<u>342,280</u>
At 30 April 2005	<u>404,010</u>
AMORTISATION:	
At 1 May 2004	7,493
Charge for year	<u>39,252</u>
At 30 April 2005	<u>46,745</u>
NET BOOK VALUE:	
At 30 April 2005	<u>357,265</u>
At 30 April 2004	<u>54,237</u>

9. TANGIBLE FIXED ASSETS

	<u>Office equipment and computers</u>	<u>Motor vehicles</u>	<u>Totals</u>
	£	£	£
COST:			
At 1 May 2004	88,098	65,564	153,662
Additions	67,867	151,258	219,125
Disposals	<u>-</u>	<u>(73,062)</u>	<u>(73,062)</u>
At 30 April 2005	<u>155,965</u>	<u>143,760</u>	<u>299,725</u>
DEPRECIATION:			
At 1 May 2004	72,929	24,462	97,391
Charge for year	20,764	33,577	54,341
Eliminated on disposals	<u>-</u>	<u>(18,021)</u>	<u>(18,021)</u>
At 30 April 2005	<u>93,693</u>	<u>40,018</u>	<u>133,711</u>
NET BOOK VALUE:			
At 30 April 2005	<u>62,272</u>	<u>103,742</u>	<u>166,014</u>
At 30 April 2004	<u>15,169</u>	<u>41,102</u>	<u>56,271</u>

DTE RISK AND FINANCIAL MANAGEMENT
LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2005

9. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Office equipment and computers	Motor vehicles	Totals
	£	£	£
COST:			
At 1 May 2004	-	47,730	47,730
Additions	17,493	141,858	159,351
Disposals	-	(55,228)	(55,228)
	<u>17,493</u>	<u>134,360</u>	<u>151,853</u>
At 30 April 2005			
DEPRECIATION:			
At 1 May 2004	-	12,740	12,740
Charge for year	4,373	32,355	36,728
Eliminated on disposals	-	(5,408)	(5,408)
	<u>4,373</u>	<u>39,687</u>	<u>44,060</u>
At 30 April 2005			
NET BOOK VALUE:			
At 30 April 2005	<u>13,120</u>	<u>94,673</u>	<u>107,793</u>
At 30 April 2004	<u>-</u>	<u>34,990</u>	<u>34,990</u>

10. FIXED ASSET INVESTMENTS

	£
COST:	
At 1 May 2004	
and 30 April 2005	<u>1,431</u>
NET BOOK VALUE:	
At 30 April 2005	<u>1,431</u>
At 30 April 2004	<u>1,431</u>
	30.4.05
	£
Unlisted investments	<u>1,431</u>
	30.4.04
	£
	<u>1,431</u>

DTE RISK AND FINANCIAL MANAGEMENT
LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2005

10. FIXED ASSET INVESTMENTS - continued

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

Downham Rose Nominees Limited

Country of incorporation: England

Nature of business: Non-trading

Class of shares:	%
Ordinary	holding 100.00

	30.4.05	30.4.04
	£	£
Aggregate capital and reserves	<u>(163)</u>	<u>(163)</u>

DTE Insurance Brokers Limited

Nature of business: Non-trading

Class of shares:	%
Ordinary	holding 100.00

	30.4.05	30.4.04
	£	£
Aggregate capital and reserves	6,982	54,482
Profit for the year	<u>-</u>	<u>40,340</u>

11. STOCKS

	30.4.05	30.4.04
	£	£
Stock of stationery and office sundries	<u>665</u>	<u>300</u>

**12. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	30.4.05	30.4.04
	£	£
Trade debtors	735,812	-
Prepayments and accrued income	29,492	14,611
Directors' current account	2,400	-
Amount due from DTE Insurance Brokers Ltd	-	38,250
Tax refund due	2	-
Corporation tax recoverable	<u>10,991</u>	-
	<u>778,697</u>	<u>52,861</u>

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NOTES TO THE FINANCIAL STATEMENTS
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**13. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	30.4.05 £	30.4.04 £
Bank loans and overdrafts (see note 15)	57,575	-
Hire purchase contracts (see note 16)	44,274	14,625
Trade creditors	895,733	3,033
Deferred consideration - goodwill	86,315	-
Amount due to DTE Corporate Recovery and Insolvency Services Ltd	6,500	-
Amount due to The DTE Payroll and Tax Centre Ltd	288	-
Amount due to Downham Train Epstein	21,000	-
Social security and PAYE	46,254	12,774
Amount due to DTE Business Advisory Services Ltd	61,554	7,933
Corporation tax	-	10,991
Accruals and deferred income	44,820	33,525
	<u>1,264,313</u>	<u>82,881</u>

**14. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	30.4.05 £	30.4.04 £
Amount due to DTE Insurance Brokers Ltd	250,000	-
Hire purchase contracts (see note 16)	32,912	13,295
	<u>282,912</u>	<u>13,295</u>

The amount due to DTE Insurance Brokers Ltd is repayable on 1st May 2006 or at a later date in accordance with a subordinated loan agreement between the companies as required by The Financial Services Authority.

15. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	30.4.05 £	30.4.04 £
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>57,575</u>	<u>-</u>

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16. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	30.4.05	30.4.04
	£	£
Gross obligations repayable:		
Within one year	48,046	15,915
Between one and five years	<u>34,296</u>	<u>14,000</u>
	<u>82,342</u>	<u>29,915</u>
Finance charges repayable:		
Within one year	3,772	1,290
Between one and five years	<u>1,384</u>	<u>705</u>
	<u>5,156</u>	<u>1,995</u>
Net obligations repayable:		
Within one year	44,274	14,625
Between one and five years	<u>32,912</u>	<u>13,295</u>
	<u>77,186</u>	<u>27,920</u>

The following payments are committed to be paid within one year:

	Operating leases			
	Land and buildings		Other	
	30.4.05	30.4.04	30.4.05	30.4.04
	£	£	£	£
Expiring:				
Within one year	<u>9,500</u>	<u>4,000</u>	<u>4,847</u>	<u>5,640</u>

17. SECURED DEBTS

The following secured debts are included within creditors:

	30.4.05	30.4.04
	£	£
Hire purchase contracts	77,186	27,920
Bank overdraft	<u>57,575</u>	<u>-</u>
	<u>134,761</u>	<u>27,920</u>

The bank overdraft is secured by a debenture.

18. PROVISIONS FOR LIABILITIES AND CHARGES

	30.4.05	30.4.04
	£	£
Deferred taxation	<u>13,751</u>	<u>3,575</u>

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18. **PROVISIONS FOR LIABILITIES AND CHARGES - continued**

	Deferred
	tax
	£
Balance at 1 May 2004	3,575
Movement in year	(1,645)
Transfer from DTE Insurance Brokers Ltd	<u>11,821</u>
Balance at 30 April 2005	<u>13,751</u>

19. **CALLED UP SHARE CAPITAL**

Authorised:				
Number:	Class:	Nominal	30.4.05	30.4.04
		value:	£	£
100,000	Ordinary	£1	<u>100,000</u>	<u>100,000</u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal	30.4.05	30.4.04
		value:	£	£
2,532	Ordinary	£1	<u>2,532</u>	<u>2,532</u>

20. **SHARE PREMIUM**

	30.4.05	30.4.04
	£	£
Brought forward/carried forward	<u>5,609</u>	<u>5,609</u>

21. **PENSION COMMITMENTS**

During the year the company paid non director pension fund contributions of £6,527 (2004 - £2,902) which will continue at similar levels in the future.

22. **CONTINGENT LIABILITIES**

The company receives commission in advance of the period over which such commissions relate. If policies are cancelled for whatever reason over this period which typically is up to four years then the company may suffer a clawback of commission previously received and credited to the profit and loss account. The directors do not consider any provision for such a clawback to be appropriate as historically the amounts involved are small and it is extremely difficult to quantify an appropriate amount.

DTE RISK AND FINANCIAL MANAGEMENT
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23. RELATED PARTY DISCLOSURES

During the year the company purchased goods and services from the following companies and partnership in which K R Train and M J MacDonald have a material interest.

Included within turnover are amounts of commission earned in respect of insurance effected for these businesses and for the directors personally. All these transactions were on normal commercial terms.

Downham Train Epstein

K R Train and M J MacDonald are, with others, joint owners of the property from which the company operates and during the year £57,000 (2004 - £24,000) was paid in respect of rent. Included within creditors falling due within one year is £21,000 (2004 - £nil) which represents trade creditors.

DTE Insurance Brokers Limited

On 1st May 2004 the assets and liabilities of DTE Insurance Brokers Limited, amounting to £335,750, were transferred to the company. Included within debtors falling due within one year is £nil (2004 - £38,250) which represents a loan in respect of general financial support. Included within creditors falling due after one year is £250,000 (2004 - £nil) which represents a creditor in respect of the transfer of goodwill and is repayable on 1st May 2006 or at a later date in accordance with a subordinated loan between the companies as required by The Financial Services Authority.

DTE Business Advisory Services Limited

The company purchased goods and services to the value of £24,675 (2004 - £14,100) and a motor vehicle to the value of £2,900 (2004 - £nil). Included within creditors falling due within one year is £61,554 (2004 - £7,933) which represents trade creditors of £22,165 (2004 - £1,540) and general financial support by way of a loan amounting to £39,389 (2004 - £6,393).

DTE Corporate Recovery and Insolvency Services Limited

During the year the company purchased a motor vehicle for the sum of £6,500 for which there is a trade creditor of £6,500 included within creditors falling due within one year.

The DTE Payroll and Tax Centre Limited

During the year the company purchased services amounting to £715. Included within creditors falling due within one year is £288 (2004 - £nil) which represents trade creditors.

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30.4.05	30.4.04
	£	£
(Loss)/Profit for the financial year	(43,096)	52,650
Issue of shares	-	1,266
Net (reduction)/addition to shareholders' funds	(43,096)	53,916
Opening shareholders' funds	<u>87,339</u>	<u>33,423</u>
Closing shareholders' funds	<u>44,243</u>	<u>87,339</u>
 Equity interests	 <u>44,243</u>	 <u>87,339</u>

25. CONTROL

The directors do not regard the company as being under the control of any one individual or entity.