

REGISTERED NUMBER: 01967512 (England and Wales)

**REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2004**  
**FOR**  
**DTE RISK AND FINANCIAL MANAGEMENT**  
**LIMITED**



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**DTE RISK AND FINANCIAL MANAGEMENT**  
**LIMITED**

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**FOR THE YEAR ENDED 30 APRIL 2004**

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**DTE RISK AND FINANCIAL MANAGEMENT**  
**LIMITED**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 30 APRIL 2004**

**DIRECTORS:**

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

**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  
41 South Gyle Crescent  
Edinburgh  
EH12 9BB

**DTE RISK AND FINANCIAL MANAGEMENT**  
**LIMITED**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30 APRIL 2004**

The directors present their report with the financial statements of the company for the year ended 30 April 2004.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the provision of advice on financial services, in particular relative to life assurance and pension products.

**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 satisfactory and expect the present level of activity to continue for the foreseeable future.

On 27 October 2003 the company changed its name from DTE Financial Services Limited to DTE Risk and Financial Management Limited.

On 29 April 2004 the company acquired the whole of the issued share capital of DTE Insurance Brokers Limited.

**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 2004 will be £nil.

**FUTURE DEVELOPMENTS**

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 £165,840 and to be paid in two instalments of £82,920 on 1 July 2004 and 1 August 2005.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

The directors during the year under review were:

K R Train  
M J MacDonald  
J D Davenport

The beneficial interests of the directors holding office on 30 April 2004 in the issued share capital of the company were as follows:

|                           |         |        |
|---------------------------|---------|--------|
|                           | 30.4.04 | 1.5.03 |
| <b>Ordinary £1 shares</b> |         |        |
| K R Train                 | 570     | 325    |
| M J MacDonald             | 570     | 325    |
| J D Davenport             | -       | -      |

M J McNulty was appointed as a director on 1 May 2004 and P Jones was appointed as a director on 11 October 2004.

**DTE RISK AND FINANCIAL MANAGEMENT**  
**LIMITED**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30 APRIL 2004**

**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

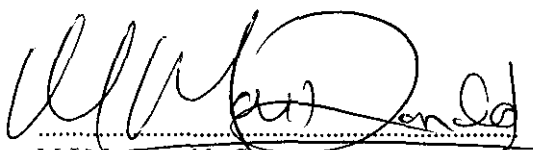
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare 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.

**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: .....February 2005

**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 2004 on pages five to nineteen. 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 2004 and of its profit 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: .....<sup>10</sup>February 2005

**DTE RISK AND FINANCIAL MANAGEMENT**  
**LIMITED**

**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30 APRIL 2004**

|  |       | <u>30.4.04</u>        | <u>30.4.03</u>        |
|--|-------|-----------------------|-----------------------|
|  | Notes | £                     | £                     |
| <b>TURNOVER</b>                                      | 2     | 620,540               | 524,610               |
| Cost of sales  |       | <u>36,719</u>         | <u>15,818</u>         |
| <b>GROSS PROFIT</b>                                  |       | 583,821               | 508,792               |
| Administrative expenses                              |       | <u>526,716</u>        | <u>496,973</u>        |
|  |       | 57,105                | 11,819                |
| Other operating income                               |       | <u>-</u>              | <u>25,000</u>         |
| <b>OPERATING PROFIT</b>                              | 4     | 57,105                | 36,819                |
| Interest receivable and similar income               | 5     | <u>346</u>            | <u>1,389</u>          |
|  |       | 57,451                | 38,208                |
| Interest payable and similar charges                 | 6     | <u>(7,283)</u>        | <u>2,253</u>          |
| <b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b> |       | 64,734                | 35,955                |
| Tax on profit on ordinary activities                 | 7     | <u>12,084</u>         | <u>9,911</u>          |
| <b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>  |       | 52,650                | 26,044                |
| Dividends  | 8     | <u>-</u>              | <u>25,000</u>         |
|  |       | 52,650                | 1,044                 |
| Retained profit brought forward                      |       | <u>26,548</u>         | <u>25,504</u>         |
| <b>RETAINED PROFIT CARRIED FORWARD</b>               |       | <u><u>£79,198</u></u> | <u><u>£26,548</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 profits for the current and previous years.

The notes form part of these financial statements

**DTE RISK AND FINANCIAL MANAGEMENT**  
**LIMITED**

**BALANCE SHEET**  
**30 APRIL 2004**

|  |       | <u>30.4.04</u> |                | <u>30.4.03</u> |                 |
|--|-------|----------------|----------------|----------------|-----------------|
|  | Notes | £              | £              | £              | £               |
| <b>FIXED ASSETS:</b>   |       |                |                |                |                 |
| Intangible assets  | 9     |                | 54,237         |                | 60,410          |
| Tangible assets  | 10    |                | 56,271         |                | 61,526          |
| Investments  | 11    |                | <u>1,431</u>   |                | <u>165</u>      |
|  |       |                | 111,939        |                | 122,101         |
| <b>CURRENT ASSETS:</b>   |       |                |                |                |                 |
| Stocks   | 12    | 300            |                | 300            |                 |
| Debtors  | 13    | 52,861         |                | 46,301         |                 |
| Cash at bank   |       | <u>21,990</u>  |                | <u>279</u>     |                 |
|  |       | 75,151         |                | 46,880         |                 |
| <b>CREDITORS: Amounts falling due within one year</b>          | 14    | <u>82,881</u>  |                | <u>120,712</u> |                 |
| <b>NET CURRENT LIABILITIES:</b>                                |       |                | <u>(7,730)</u> |                | <u>(73,832)</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>                  |       |                | 104,209        |                | 48,269          |
| <b>CREDITORS: Amounts falling due after more than one year</b> | 15    |                | (13,295)       |                | (12,364)        |
| <b>PROVISIONS FOR LIABILITIES AND CHARGES:</b>                 | 19    |                | <u>(3,575)</u> |                | <u>(2,482)</u>  |
|  |       |                | <u>£87,339</u> |                | <u>£33,423</u>  |
| <b>CAPITAL AND RESERVES:</b>                                   |       |                |                |                |                 |
| Called up share capital  | 20    |                | 2,532          |                | 1,266           |
| Share premium  | 21    |                | 5,609          |                | 5,609           |
| Profit and loss account  |       |                | <u>79,198</u>  |                | <u>26,548</u>   |
| <b>SHAREHOLDERS' FUNDS:</b>                                    | 26    |                | <u>£87,339</u> |                | <u>£33,423</u>  |

**ON BEHALF OF THE BOARD:**

.....  
J D Davenport - Director

Approved by the Board on ..... 8<sup>th</sup> February 2005

The notes form part of these financial statements



**DTE RISK AND FINANCIAL MANAGEMENT**  
**LIMITED**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 APRIL 2004**

|   |       | <u>30.4.04</u> |                 | <u>30.4.03</u> |                  |
|---|-------|----------------|-----------------|----------------|------------------|
|   | Notes | £              | £               | £              | £                |
| Net cash inflow from operating activities               | 1     |                | 60,865          |                | 89,319           |
| Returns on investments and servicing of finance         | 2     |                | (771)           |                | (864)            |
| Taxation  |       |                | (7,422)         |                | (11,546)         |
| Capital expenditure                                     | 2     |                | 8,627           |                | (43,843)         |
| Equity dividends paid                                   |       |                | (25,000)        |                | (30,000)         |
|   |       |                | 36,299          |                | 3,066            |
| Financing   | 2     |                | (10,701)        |                | (25,926)         |
| Increase/(Decrease) in cash in the period               |       |                | <u>£25,598</u>  |                | <u>£(22,860)</u> |
| Reconciliation of net cash flow to movement in net debt | 3     |                |                 |                |                  |
| Increase/(Decrease) in cash in the period               |       | 25,598         |                 | (22,860)       |                  |
| Cash outflow from decrease in debt and lease financing  |       | <u>10,701</u>  |                 | <u>25,926</u>  |                  |
| Change in net debt resulting from cash flows            |       |                | 36,299          |                | 3,066            |
| New finance leases                                      |       |                | (15,948)        |                | (27,540)         |
| Movement in net debt in the period                      |       |                | 20,351          |                | (24,474)         |
| Net debt at 1 May                                       |       |                | (26,281)        |                | (1,807)          |
| Net debt at 30 April                                    |       |                | <u>£(5,930)</u> |                | <u>£(26,281)</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 2004**

1. **RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

|  | 30.4.04<br>£         | 30.4.03<br>£         |
|--|----------------------|----------------------|
| Operating profit                                     | 57,105               | 36,819               |
| Depreciation charges                                 | 20,888               | 20,520               |
| Profit on sale of fixed assets                       | (2,139)              | (4,347)              |
| (Increase)/Decrease in debtors                       | (6,567)              | 1,914                |
| (Decrease)/Increase in creditors                     | <u>(8,422)</u>       | <u>34,413</u>        |
| <b>Net cash inflow<br/>from operating activities</b> | <b><u>60,865</u></b> | <b><u>89,319</u></b> |

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

|   | 30.4.04<br>£           | 30.4.03<br>£           |
|---|------------------------|------------------------|
| <b>Returns on investments and<br/>servicing of finance</b>                      |                        |                        |
| Interest received   | 346                    | 1,389                  |
| Interest paid   | (17)                   | (649)                  |
| Interest element of hire purchase<br>payments                                   | <u>(1,100)</u>         | <u>(1,604)</u>         |
| <b>Net cash outflow<br/>for returns on investments and servicing of finance</b> | <b><u>(771)</u></b>    | <b><u>(864)</u></b>    |
| <b>Capital expenditure</b>  |                        |                        |
| Purchase of intangible fixed assets   | -                      | (55,285)               |
| Purchase of tangible fixed assets   | (6,173)                | (4,133)                |
| Sale of tangible fixed assets   | <u>14,800</u>          | <u>15,575</u>          |
| <b>Net cash inflow/(outflow)<br/>for capital expenditure</b>                    | <b><u>8,627</u></b>    | <b><u>(43,843)</u></b> |
| <b>Financing</b>  |                        |                        |
| Loan repayments in year   | <u>(10,701)</u>        | <u>(25,926)</u>        |
| <b>Net cash outflow<br/>from financing</b>                                      | <b><u>(10,701)</u></b> | <b><u>(25,926)</u></b> |

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 2004**

3. ANALYSIS OF CHANGES IN NET DEBT

|   | At 1.5.03<br>£  | Cash flow<br>£ | Other<br>non-cash<br>changes<br>£ | At 30.4.04<br>£ |
|---|-----------------|----------------|-----------------------------------|-----------------|
| Net cash:                               |                 |                |                                   |                 |
| Cash at bank and in hand                | 279             | 21,711         |                                   | 21,990          |
| Bank overdraft                          | <u>(3,887)</u>  | <u>3,887</u>   |                                   | -               |
|   | <u>(3,608)</u>  | <u>25,598</u>  |                                   | <u>21,990</u>   |
| Debt:                                   |                 |                |                                   |                 |
| Hire purchase                           | <u>(22,673)</u> | <u>10,701</u>  | <u>(15,948)</u>                   | <u>(27,920)</u> |
|   | <u>(22,673)</u> | <u>10,701</u>  | <u>(15,948)</u>                   | <u>(27,920)</u> |
| Total                                   | <u>(26,281)</u> | <u>36,299</u>  | <u>(15,948)</u>                   | <u>(5,930)</u>  |
| <b><i>Analysed in Balance Sheet</i></b> |                 |                |                                   |                 |
| Cash at bank and in hand                | 279             |                |                                   | 21,990          |
| Bank overdraft                          | <u>(3,887)</u>  |                |                                   | -               |
| Hire purchase                           |                 |                |                                   |                 |
| within one year                         | <u>(10,309)</u> |                |                                   | <u>(14,625)</u> |
| after one year                          | <u>(12,364)</u> |                |                                   | <u>(13,295)</u> |
|   | <u>(26,281)</u> |                |                                   | <u>(5,930)</u>  |

**DTE RISK AND FINANCIAL MANAGEMENT**  
**LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2004**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention.

**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 commissions and other income received during the year.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of businesses 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.

**2. TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

**DTE RISK AND FINANCIAL MANAGEMENT  
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2004**

**3. STAFF COSTS**

|                       | 30.4.04               | 30.4.03               |
|-----------------------|-----------------------|-----------------------|
|                       | £                     | £                     |
| Wages and salaries    | 328,106               | 292,306               |
| Social security costs | 26,803                | 31,442                |
| Other pension costs   | <u>4,879</u>          | <u>5,353</u>          |
|                       | <u><b>359,788</b></u> | <u><b>329,101</b></u> |

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

|                                  | 30.4.04          | 30.4.03          |
|----------------------------------|------------------|------------------|
| Management and administration    | 2                | 2                |
| Sales and general administration | <u>11</u>        | <u>10</u>        |
|                                  | <u><b>13</b></u> | <u><b>12</b></u> |

**4. OPERATING PROFIT**

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

|  | 30.4.04       | 30.4.03      |
|--|---------------|--------------|
|  | £             | £            |
| Depreciation - owned assets                                | 7,930         | 6,482        |
| Depreciation - assets on hire purchase contracts           | 6,785         | 12,933       |
| Profit on disposal of fixed assets                         | (2,139)       | (4,347)      |
| Goodwill written off                                       | 6,173         | 1,105        |
| Auditors' remuneration                                     | 2,988         | 2,350        |
| Operating leases - buildings                               | 24,000        | 24,000       |
| Other operating leases                                     | <u>10,152</u> | <u>8,319</u> |
| Directors' emoluments                                      | 62,208        | 62,196       |
| Directors' pension contributions to money purchase schemes | <u>1,977</u>  | <u>2,123</u> |

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

|                        | <u>1</u> | <u>1</u> |
|------------------------|----------|----------|
| Money purchase schemes |          |          |

**5. INTEREST RECEIVABLE AND SIMILAR INCOME**

|                          | 30.4.04           | 30.4.03             |
|--------------------------|-------------------|---------------------|
|                          | £                 | £                   |
| Bank interest received   | 346               | 1,087               |
| Tax repayment supplement | <u>-</u>          | <u>302</u>          |
|                          | <u><b>346</b></u> | <u><b>1,389</b></u> |

**DTE RISK AND FINANCIAL MANAGEMENT**  
**LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2004**

6. **INTEREST PAYABLE AND SIMILAR CHARGES**

|                               | 30.4.04        | 30.4.03      |
|-------------------------------|----------------|--------------|
|                               | £              | £            |
| Bank interest                 | 17             | 236          |
| Late payment of PAYE interest | (8,400)        | 413          |
| Hire purchase interest        | <u>1,100</u>   | <u>1,604</u> |
|                               | <u>(7,283)</u> | <u>2,253</u> |

7. **TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

|                                      | 30.4.04       | 30.4.03      |
|--------------------------------------|---------------|--------------|
|                                      | £             | £            |
| Current tax:                         |               |              |
| UK corporation tax                   | 10,991        | 7,429        |
| Deferred taxation                    | <u>1,093</u>  | <u>2,482</u> |
| Tax on profit on ordinary activities | <u>12,084</u> | <u>9,911</u> |

UK corporation tax has been charged at 19% (2003 - 19%).

**Factors affecting the tax charge**

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

|  | 30.4.04       | 30.4.03       |
|--|---------------|---------------|
|  | £             | £             |
| Profit on ordinary activities before tax   | <u>64,734</u> | <u>35,955</u> |
| Profit on ordinary activities<br>multiplied by the standard rate of corporation tax<br>in the UK of 19% (2003 - 19%) | 12,299        | 6,831         |
| Effects of:  |               |               |
| Items not allowable for tax purposes   | 193           | 199           |
| Depreciation in excess of capital allowances   | (570)         | 456           |
| Non taxable items  | <u>(931)</u>  | <u>(57)</u>   |
| Current tax charge   | <u>10,991</u> | <u>7,429</u>  |

8. **DIVIDENDS**

|                  | 30.4.04  | 30.4.03       |
|------------------|----------|---------------|
|                  | £        | £             |
| Equity shares:   |          |               |
| Final - ordinary | <u>-</u> | <u>25,000</u> |

**DTE RISK AND FINANCIAL MANAGEMENT**  
**LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2004**

9. INTANGIBLE FIXED ASSETS

|                        | <u>Goodwill</u> |
|------------------------|-----------------|
|                        | £               |
| <b>COST:</b>           |                 |
| At 1 May 2003          |                 |
| and 30 April 2004      | <u>61,730</u>   |
| <b>AMORTISATION:</b>   |                 |
| At 1 May 2003          | 1,320           |
| Charge for year        | <u>6,173</u>    |
| At 30 April 2004       | <u>7,493</u>    |
| <b>NET BOOK VALUE:</b> |                 |
| At 30 April 2004       | <u>54,237</u>   |
| At 30 April 2003       | <u>60,410</u>   |

10. TANGIBLE FIXED ASSETS

|                         | <u>Office<br/>equipment<br/>and<br/>computers</u> | <u>Motor<br/>vehicles</u> | <u>Totals</u>   |
|-------------------------|---|---------------------------|-----------------|
|                         | £   | £                         | £               |
| <b>COST:</b>            |   |                           |                 |
| At 1 May 2003           | 83,537  | 76,384                    | 159,921         |
| Additions               | 4,561   | 17,560                    | 22,121          |
| Disposals               | <u>-</u>  | <u>(28,380)</u>           | <u>(28,380)</u> |
| At 30 April 2004        | <u>88,098</u>                                     | <u>65,564</u>             | <u>153,662</u>  |
| <b>DEPRECIATION:</b>    |   |                           |                 |
| At 1 May 2003           | 67,873  | 30,522                    | 98,395          |
| Charge for year         | 5,056   | 9,659                     | 14,715          |
| Eliminated on disposals | <u>-</u>  | <u>(15,719)</u>           | <u>(15,719)</u> |
| At 30 April 2004        | <u>72,929</u>                                     | <u>24,462</u>             | <u>97,391</u>   |
| <b>NET BOOK VALUE:</b>  |   |                           |                 |
| At 30 April 2004        | <u>15,169</u>                                     | <u>41,102</u>             | <u>56,271</u>   |
| At 30 April 2003        | <u>15,664</u>                                     | <u>45,862</u>             | <u>61,526</u>   |

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10. **TANGIBLE FIXED ASSETS - continued**

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

|                          | <b>Motor<br/>vehicles</b> |
|--------------------------|---------------------------|
|                          | <b>£</b>                  |
| <b>COST:</b>             |                           |
| At 1 May 2003            | 48,004                    |
| Additions                | 17,560                    |
| Transferred to ownership | <u>(17,834)</u>           |
| At 30 April 2004         | <u>47,730</u>             |
| <b>DEPRECIATION:</b>     |                           |
| At 1 May 2003            | 15,639                    |
| Charge for year          | 6,785                     |
| Transferred to ownership | <u>(9,684)</u>            |
| At 30 April 2004         | <u>12,740</u>             |
| <b>NET BOOK VALUE:</b>   |                           |
| At 30 April 2004         | <u>34,990</u>             |
| At 30 April 2003         | <u>32,365</u>             |

11. **FIXED ASSET INVESTMENTS**

|                        | <b>£</b>     |
|------------------------|--------------|
| <b>COST:</b>           |              |
| At 1 May 2003          | 165          |
| Additions              | <u>1,266</u> |
| At 30 April 2004       | <u>1,431</u> |
| <b>NET BOOK VALUE:</b> |              |
| At 30 April 2004       | <u>1,431</u> |
| At 30 April 2003       | <u>165</u>   |

|                              |                |                |
|------------------------------|----------------|----------------|
|                              | <b>30.4.04</b> | <b>30.4.03</b> |
|                              | <b>£</b>       | <b>£</b>       |
| Shares in group undertakings | <u>1,431</u>   | <u>165</u>     |



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**11. FIXED ASSET INVESTMENTS - continued**

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

**Downham Rose Nominees Limited**

Country of incorporation: England

Nature of business: Non-trading

|                  |         |
|------------------|---------|
|                  | %       |
| Class of shares: | holding |
| Ordinary         | 100.00  |

|                                |              |              |
|--------------------------------|--------------|--------------|
|                                | 30.4.04      | 30.4.03      |
|                                | £            | £            |
| Aggregate capital and reserves | <u>(163)</u> | <u>(163)</u> |

**DTE Insurance Brokers Limited**

Nature of business: Insurance brokers

|                  |         |
|------------------|---------|
|                  | %       |
| Class of shares: | holding |
| Ordinary         | 100.00  |

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

**12. STOCKS**

|   |            |            |
|---|------------|------------|
|   | 30.4.04    | 30.4.03    |
|   | £          | £          |
| Stock of stationery and office sundries | <u>300</u> | <u>300</u> |

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

|   |               |               |
|---|---------------|---------------|
|   | 30.4.04       | 30.4.03       |
|   | £             | £             |
| Prepayments and accrued income                | 14,611        | 15,794        |
| Amount due from DTE Insurance Brokers Limited | 38,250        | 30,500        |
| Tax refund due                                | <u>-</u>      | <u>7</u>      |
|   | <u>52,861</u> | <u>46,301</u> |

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

|  | 30.4.04<br>£  | 30.4.03<br>£   |
|--|---------------|----------------|
| Bank loans and overdrafts<br>(see note 16)           | -             | 3,887          |
| Hire purchase contracts<br>(see note 17)             | 14,625        | 10,309         |
| Trade creditors                                      | 3,033         | 3,035          |
| Dividend proposed                                    | -             | 25,000         |
| Social security and PAYE                             | 12,774        | 27,829         |
| Amount due to DTE Business Advisory Services Limited | 7,933         | 25,276         |
| Corporation tax                                      | 10,991        | 7,429          |
| Accruals and deferred income                         | <u>33,525</u> | <u>17,947</u>  |
|  | <u>82,881</u> | <u>120,712</u> |

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

|  | 30.4.04<br>£  | 30.4.03<br>£  |
|--|---------------|---------------|
| Hire purchase contracts<br>(see note 17) | <u>13,295</u> | <u>12,364</u> |

16. **LOANS AND OVERDRAFTS**

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

|   | 30.4.04<br>£ | 30.4.03<br>£ |
|---|--------------|--------------|
| Amounts falling due within one year or on demand: |              |              |
| Bank overdrafts                                   | <u>-</u>     | <u>3,887</u> |

**DTE RISK AND FINANCIAL MANAGEMENT**  
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**17. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES**

|                              | <b>Hire<br/>purchase<br/>contracts</b> |                      |
|------------------------------|--|----------------------|
|                              | <b>30.4.04</b>                         | <b>30.4.03</b>       |
|                              | <b>£</b>                               | <b>£</b>             |
| Gross obligations repayable: |  |                      |
| Within one year              | <b>15,915</b>                          | <b>11,316</b>        |
| Between one and five years   | <b><u>14,000</u></b>                   | <b><u>12,853</u></b> |
|                              | <b><u>29,915</u></b>                   | <b><u>24,169</u></b> |
| Finance charges repayable:   |  |                      |
| Within one year              | <b>1,290</b>                           | <b>1,007</b>         |
| Between one and five years   | <b><u>705</u></b>                      | <b><u>489</u></b>    |
|                              | <b><u>1,995</u></b>                    | <b><u>1,496</u></b>  |
| Net obligations repayable:   |  |                      |
| Within one year              | <b>14,625</b>                          | <b>10,309</b>        |
| Between one and five years   | <b><u>13,295</u></b>                   | <b><u>12,364</u></b> |
|                              | <b><u>27,920</u></b>                   | <b><u>22,673</u></b> |

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

|                 | <b>Operating leases</b>       |                     |                     |                     |
|-----------------|-------------------------------|---------------------|---------------------|---------------------|
|                 | <b>Land and<br/>buildings</b> |                     | <b>Other</b>        |                     |
|                 | <b>30.4.04</b>                | <b>30.4.03</b>      | <b>30.4.04</b>      | <b>30.4.03</b>      |
|                 | <b>£</b>                      | <b>£</b>            | <b>£</b>            | <b>£</b>            |
| Expiring:       |                               |                     |                     |                     |
| Within one year | <b><u>4,000</u></b>           | <b><u>4,000</u></b> | <b><u>5,640</u></b> | <b><u>4,477</u></b> |

**18. SECURED DEBTS**

The following secured debts are included within creditors:

|                         | <b>30.4.04</b>       | <b>30.4.03</b>       |
|-------------------------|----------------------|----------------------|
|                         | <b>£</b>             | <b>£</b>             |
| Hire purchase contracts | <b><u>27,920</u></b> | <b><u>22,673</u></b> |

**19. PROVISIONS FOR LIABILITIES AND CHARGES**

|                   | <b>30.4.04</b>      | <b>30.4.03</b>      |
|-------------------|---------------------|---------------------|
|                   | <b>£</b>            | <b>£</b>            |
| Deferred taxation | <b><u>3,575</u></b> | <b><u>2,482</u></b> |

**DTE RISK AND FINANCIAL MANAGEMENT**  
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19. **PROVISIONS FOR LIABILITIES AND CHARGES - continued**

|                          |                         |
|--------------------------|-------------------------|
|                          | <b>Deferred<br/>tax</b> |
|                          | <b>£</b>                |
| Balance at 1 May 2003    | <b>2,482</b>            |
| Movement in year         | <b><u>1,093</u></b>     |
| Balance at 30 April 2004 | <b><u>3,575</u></b>     |

20. **CALLED UP SHARE CAPITAL**

|                                  |          |                   |                          |                          |
|----------------------------------|----------|-------------------|--------------------------|--------------------------|
| Authorised:                      |          |                   |                          |                          |
| Number:                          | Class:   | Nominal<br>value: | <b>30.4.04</b>           | 30.4.03                  |
|                                  |          |                   | <b>£</b>                 | <b>£</b>                 |
| 100,000                          | Ordinary | £1                | <b><u>100,000</u></b>    | <b><u>100,000</u></b>    |
| Allotted, issued and fully paid: |          |                   |                          |                          |
| Number:                          | Class:   | Nominal<br>value: | <b>30.4.04</b>           | 30.4.03                  |
|                                  |          |                   | <b>£</b>                 | <b>£</b>                 |
| 2,532                            | Ordinary | £1                | <b>2,532</b>             | 1,266                    |
| (30.4.03 - 1,266)                |          |                   | <b><u>          </u></b> | <b><u>          </u></b> |

The following shares were allotted during the year in consideration for the acquisition of 1,266 ordinary shares of £1 each in DTE Insurance Brokers Limited:

1,266 Ordinary shares of £1 each

21. **SHARE PREMIUM**

|                 |                     |                     |
|-----------------|---------------------|---------------------|
|                 | <b>30.4.04</b>      | 30.4.03             |
|                 | <b>£</b>            | <b>£</b>            |
| Brought forward | <b><u>5,609</u></b> | <b><u>5,609</u></b> |

22. **PENSION COMMITMENTS**

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

23. **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.

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**24. 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:-

Downham Train Epstein

KR Train and M J MacDonald are, with others, joint owners of the property from which the company operates and during the year £24,000 (2003 - £24,000) was paid in respect of rent.

DTE Insurance Brokers Limited

The company made a management charge of £nil (2003 - £25,000) in respect of use of staff. Insurance, on which commission was deducted at the standard rates, to the value of £nil (2003 - £1,668) was effected on behalf of the company. Included within debtors falling due within one year is £38,250 (2003 - £30,500) in respect of trade debtors of £nil (2003 - £25,000) and £38,250 (2003 - £5,500) loan in respect of general financial support.

DTE Business Advisory Services Limited

The company sold services amounting to £nil (2003 - £750) and purchased goods and services to the value of £14,100 (2003 - £14,423). Included within creditors falling due within one year is £7,933 (2003 - £25,276) which represents trade creditors of £1,540 (2003 - £3,883) and general financial support by way of a loan amounting to £6,393 (2003 - £21,393).

**25. POST BALANCE SHEET EVENTS**

On 7 July 2004 the company purchased the business of David Scott Insurance Services, the total consideration being £165,840 and to be paid in two instalments of £82,920 on 1 July 2004 and 1 August 2005.

**26. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

|  | 30.4.04              | 30.4.03              |
|--|----------------------|----------------------|
|  | £                    | £                    |
| Profit for the financial year              | 52,650               | 26,044               |
| Dividends                                  | <u>-</u>             | <u>(25,000)</u>      |
|  | 52,650               | 1,044                |
| Issue of shares                            | <u>1,266</u>         | <u>-</u>             |
| <b>Net addition to shareholders' funds</b> | <b>53,916</b>        | <b>1,044</b>         |
| Opening shareholders' funds                | <u>33,423</u>        | <u>32,379</u>        |
| <b>Closing shareholders' funds</b>         | <b><u>87,339</u></b> | <b><u>33,423</u></b> |
| Equity interests                           | <u>87,339</u>        | <u>33,423</u>        |

**27. CONTROL**

Seventy nine percent of the company's issued share capital is registered in the name of DTE Nominees Limited. However these shares are the subject of bare trust agreements with the directors and others such that DTE Nominees Limited is not regarded as a parent undertaking and the company is not otherwise under the control of any one individual or entity.