

# Mason Owen Financial Services Limited

## Report and Accounts

30 June 1995

*Company number 2217933*



# Mason Owen Financial Services Limited

## DIRECTORS' REPORT

The directors submit their report and the accounts for the year ended 30 June 1995.

### RESULTS AND DIVIDENDS

The profit for the year after taxation was £66,592 (1994 £52,805).

A dividend of £80,000 was paid out of accumulated profits leaving retained profits of £58,340.

### REVIEW OF THE BUSINESS

The principal activity of the company during the year was property finance and insurance consultancy.

The directors consider the state of affairs to be satisfactory.

### FIXED ASSETS

The changes in fixed assets during the year are summarised in the notes to the accounts.

### FUTURE DEVELOPMENTS

No major change is expected in the company's activities.

### DIRECTORS AND THEIR INTERESTS

The directors during the year were as follows:

S W E Fletcher

C A C Hurst

(appointed 1 July 1994)

M B Owen

(resigned 12 December 1994)

R M Tucknott

(resigned 12 December 1994)

M W Long

(resigned 12 December 1994)

Neither of the directors at the year end had an interest in the share capital of any group company during the year.


### CLOSE COMPANY

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

### AUDITORS

A resolution proposing the re-appointment of Ernst & Young as auditors will be proposed at the annual general meeting.

By order of the board.



Secretary

Date

5 January 1996

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE  
ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit of the company for that period. In preparing those accounts 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 accounts 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 accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**REPORT OF THE AUDITORS**

to the members of Mason Owen Financial Services Limited

We have audited the accounts on pages 5 to 11 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 3, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of affairs of the company at 30 June 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young  
Chartered Accountants  
Registered Auditor  
Liverpool

5 January 1996

# Mason Owen Financial Services Limited

## PROFIT AND LOSS ACCOUNT

for the year ended 30 June 1995

	<i>Notes</i>	<i>1995</i> £	<i>1994</i> £
TURNOVER	1	325,825	263,521
Administrative and practising expenses		258,971	204,756
OPERATING PROFIT	2	66,854	58,765
Bank interest receivable		23,738	15,465
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		90,592	74,230
Tax on profit on ordinary activities	4	24,000	21,425
PROFIT FOR THE FINANCIAL YEAR		66,592	52,805
Dividend		80,000	-
(LOSS)/PROFIT RETAINED FOR THE FINANCIAL YEAR		(13,408)	52,805

### RECOGNISED GAINS AND LOSSES

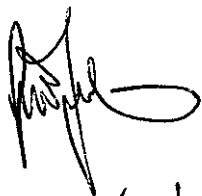
There are no recognised gains or losses other than the profits for the years ended 30 June 1994 and 1995 as shown by the above profit and loss accounts .

# Mason Owen Financial Services Limited

## BALANCE SHEET

at 30 June 1995

	Notes	1995 £	1994 £
<b>FIXED ASSETS</b>	5	54,267	48,024
<b>CURRENT ASSETS</b>			
Debtors	6	125,030	128,517
Cash at bank	7	324,372	232,401
		449,402	360,918
<b>CREDITORS: amounts falling due within one year</b>	8	410,938	306,032
<b>NET CURRENT ASSETS</b>		38,464	54,886
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		92,731	102,910
<b>CREDITORS: amounts falling due after more than one year</b>	9	33,391	30,162
		59,340	72,748
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	1,000	1,000
Profit and loss account	11	58,340	71,748
		59,340	72,748



- Director

Date

5 January 1996

# Mason Owen Financial Services Limited

## NOTES TO THE ACCOUNTS

at 30 June 1995

### 1. ACCOUNTING POLICIES

#### *Accounting convention*

The accounts are prepared under the historical cost convention.

#### *Turnover*

Turnover, all of which occurs in the United Kingdom and relates to continuing activities, comprises commission relating to insurance premiums becoming due within the accounting period, net of commission shared with third parties. Commission on returns, additional premiums and adjustments is brought into account when these occur.

#### *Depreciation*

Depreciation is provided on all fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

Motor vehicles	-	over 4 years
Fixtures and fittings	-	over 4 to 7 years

#### *Deferred taxation*

Deferred taxation is provided on all timing differences which are expected to reverse in the future, calculated at the rate at which it is estimated that tax will be payable.

#### *Leasing and hire purchase contracts*

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and are depreciated over their useful lives.

The interest element of the obligations is charged to the profit and loss account over the periods of the contracts and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income as incurred.

### 2. OPERATING PROFIT

a) This is stated after charging:

	1995 £	1994 £
Directors' remuneration (see below)	112,062	64,837
Auditors' remuneration	3,500	3,250
Depreciation of tangible fixed assets	13,501	14,544
Lease rentals - land and buildings	5,404	3,596
Hire purchase interest	4,335	1,068
	<u>112,062</u>	<u>64,837</u>
b) Directors' remuneration:		
Fees	-	-
Other emoluments (including pension contributions)	112,062	64,837
	<u>112,062</u>	<u>64,837</u>
Emoluments (excluding pension contributions) of the chairman who was also the highest paid director:	<u>55,280</u>	<u>49,513</u>

# Mason Owen Financial Services Limited

## NOTES TO THE ACCOUNTS

at 30 June 1995

### 2. OPERATING PROFIT (continued)

Directors' emoluments, excluding pension contributions, fell within the following ranges:

	1995 No.	1994 No.
£nil - £5,000	3	3
£35,001 - £40,000	1	-
£45,001 - £50,000	-	1
£55,001 - £60,000	1	-
	<u>5</u>	<u>4</u>

### 3. STAFF COSTS

	1995 £	1994 £
Wages and salaries	143,464	111,288
Social security costs	15,130	11,983
Other pension costs	21,700	17,542
	<u>180,294</u>	<u>140,813</u>

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

	1995 No.	1994 No.
Management and administration	6	5

### 4. TAXATION

	1995 £	1994 £
Corporation tax at 25% (1994 32%)	24,000	22,000
Overprovided in previous year	-	(575)
	<u>24,000</u>	<u>21,425</u>

No provision for deferred taxation is required.

### 5. FIXED ASSETS

	Motor vehicles £	Fixtures & fittings £	Total £
Cost			
At 1 July 1994	42,301	32,802	75,103
Additions	-	19,944	19,944
Disposals	-	(300)	(300)
At 30 June 1995	<u>42,301</u>	<u>52,446</u>	<u>94,747</u>



# Mason Owen Financial Services Limited

## NOTES TO THE ACCOUNTS

at 30 June 1995

### 5. FIXED ASSETS (continued)

Depreciation			
At 1 July 1994	2,275	24,804	27,079
Provided during the year	10,576	2,925	13,501
Disposals	-	(100)	(100)
At 30 June 1995	<u>12,851</u>	<u>27,629</u>	<u>40,480</u>
Net book value at 30 June 1995	<u>29,450</u>	<u>24,817</u>	<u>54,267</u>
Net book value at 30 June 1994	<u>40,026</u>	<u>7,998</u>	<u>48,024</u>

The following amounts are included in respect of fixed assets acquired under hire purchase and finance lease agreements

	<i>Motor vehicles</i>		<i>Fixtures and fittings</i>	
	1995	1994	1995	1994
	£	£	£	£
Net book value at 30 June	<u>29,450</u>	<u>40,026</u>	<u>16,572</u>	<u>-</u>
Depreciation charge for the year	<u>10,576</u>	<u>2,275</u>	<u>92</u>	<u>-</u>

### 6. DEBTORS

	1995	1994
	£	£
Insurance broking debtors	124,781	127,664
Other debtor	249	853
	<u>125,030</u>	<u>128,517</u>

### 7. CASH AT BANK

	1995	1994
	£	£
Insurance broking account	291,118	122,857
Other accounts	33,254	109,544
	<u>324,372</u>	<u>232,401</u>

# Mason Owen Financial Services Limited

## NOTES TO THE ACCOUNTS

at 30 June 1995

### 8. CREDITORS: amounts falling due within one year

	1995 £	1994 £
Insurance broking creditors	207,193	218,979
Amount due to parent undertaking	141,714	27,829
Current corporation tax	25,165	22,000
Other creditors	1,300	1,300
Accruals and deferred income	22,131	28,304
Hire purchase and finance lease creditors	13,435	7,620
	<u>410,938</u>	<u>306,032</u>

### 9. CREDITORS: amounts falling due after more than one year

	1995 £	1994 £
Hire purchase and finance lease creditors repayable between two and five years	<u>33,391</u>	<u>30,162</u>

### 10. SHARE CAPITAL

	1995 No.	Authorised 1994 No.	Allotted, called up and fully paid 1995 £	1994 £
Shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

### 11. RECONCILIATION OF SHAREHOLDERS FUNDS AND MOVEMENTS ON RESERVES

	Share capital £	Profit and loss account £	Total £
At 1 July 1993	1,000	18,943	19,943
Profit for the financial year	-	52,805	52,805
At 30 June 1994	<u>1,000</u>	<u>71,748</u>	<u>72,748</u>
Profit for the financial year	-	66,592	66,592
Dividend	-	(80,000)	(80,000)
At 30 June 1995	<u>1,000</u>	<u>58,340</u>	<u>59,340</u>

### 12. INSURANCE BROKING ASSETS AND LIABILITIES

The company acts as an agent in broking the insurable risks of its clients and, generally, is not liable as a principal for premiums due to underwriters or for claims payable to clients. Notwithstanding the company's legal relationship with clients and underwriters and since in practice premium monies are usually accounted for by insurance intermediaries, it has followed generally accepted accounting practice by showing cash, debtors and creditors relating to insurance business as assets and liabilities of the company itself.

NOTES TO THE ACCOUNTS

at 30 June 1995

**13. CONTINGENT LIABILITIES**

The company has given cross guarantees in connection with bank borrowings of its immediate parent undertaking and is a member of a VAT group with that company. In the opinion of the directors, no liabilities will arise under these arrangements

**14. PARENT UNDERTAKING**

The ultimate parent undertaking since 11 July 1994 has been Mason Owen & Partners Holdings Limited. Prior to that date, it was Mason Owen & Partners Limited. Both of these companies are incorporated in England.

Copies of the group accounts may be obtained from the parent undertakings at Gladstone House, Union Court, Liverpool L2 4UQ.