

Company Registration No. 2288983 (England and Wales)

MALYON LESTRANGE INSURANCE SERVICES LTD
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1995



MALYON LESTRANGE INSURANCE SERVICES LTD

COMPANY INFORMATION

Directors	B B Malyon S M Lestrangle
Secretary	S M Lestrangle
Company Number	2288983
Registered Office	165 Turners Hill Cheshunt Hertfordshire EN8 9BH
Auditors	McIntyre Irwin Victory House 62-64 East Barnet Rd New Barnet Herts EN4 8RQ

MALYON LESTRANGE INSURANCE SERVICES LTD

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MALYON LESTRANGE INSURANCE SERVICES LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 1995

The directors present their report and financial statements for the year ended 31 March 1995.

Principal Activities and Review of the Business

The principal activity of the company continued to be that of insurance brokers.

Results and Dividends

The results for the year are set out on page 3.

It is proposed that the retained profit of £25,529 is transferred to reserves.

Fixed Assets

The significant changes in fixed assets during the year are explained in note 9 to the financial statements.

Directors and their Interests

The directors who served during the year and their beneficial interests in the company's shares were as stated below.

	Ordinary shares of £1	
	1995	1994
B B Malyon	260	260
S M Lestrangle	260	260

Auditors

The auditors, McIntyre Irwin, are deemed to be reappointed in accordance with Section 386 of the Companies Act 1985.

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.

This report was approved by the Board on 14 August 1995

S M Lestrangle
Secretary



MALYON LESTRANGE INSURANCE SERVICES LTD

AUDITORS' REPORT

TO THE SHAREHOLDERS OF MALYON LESTRANGE INSURANCE SERVICES LTD

We have audited the financial statements on pages 3 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

McINTYRE IRWIN



Certified Accountants
Registered Auditor

15 August 1995

Victory House
62-64 East Barnet Rd
New Barnet
Herts
EN4 8RQ

MALYON LESTRANGE INSURANCE SERVICES LTD

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1995

	Notes	1995 £	1994 £
Turnover	2	382,069	390,888
Administrative expenses		(307,820)	(312,610)
Other operating income		6,410	5,115
Operating profit	3	80,659	83,393
Other interest receivable and similar income	4	11,942	9,625
Interest payable and similar charges	5	(14,706)	(13,676)
Profit on ordinary activities before taxation		77,895	79,342
Tax on profit on ordinary activities	6	(24,366)	(23,000)
Profit on ordinary activities after taxation		53,529	56,342
Dividends	7	(28,000)	(20,000)
Retained profit for the year	14	25,529	36,342

There are no recognised gains and losses other than those passing through the profit and loss account.

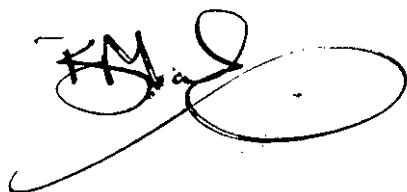
MALYON LESTRANGE INSURANCE SERVICES LTD

BALANCE SHEET AS AT 31 MARCH 1995

	Notes	£	1995	£	£	1994	£
Fixed Assets							
Intangible assets	8			175,642			175,642
Tangible assets	9			47,257			59,483
				<u>222,899</u>			<u>235,125</u>
Current Assets							
Debtors	10		16,942			18,797	
Cash at bank and in hand			238,943			223,892	
			<u>255,885</u>			<u>242,689</u>	
Creditors: amounts falling due within one year	11		(223,627)			(234,986)	
			<u></u>			<u></u>	
Net Current Assets				32,258			7,703
Total Assets Less Current Liabilities				<u>255,157</u>			<u>242,828</u>
Creditors: amounts falling due after more than one year	12			(143,093)			(156,295)
				<u>112,064</u>			<u>86,533</u>
Capital and Reserves							
Called up share capital	13			1,000			1,000
Profit and loss account	14			111,064			85,533
Shareholders' Funds	15			<u>112,064</u>			<u>86,533</u>

The financial statements were approved by the Board on 13 August 1995

B B Malyon
Director



MALYON LESTRANGE INSURANCE SERVICES LTD

Notes to the Financial Statements

for the year to 31 March 1995

1 Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and include the results of the company's operations as indicated in the directors' report, all of which are continuing.

1.2 Turnover

Turnover represents the net amount earned from commissions and fee income.

1.3 Goodwill

Acquired goodwill is capitalised at cost and is written off only where it is considered its value is decreasing.

1.4 Tangible fixed assets and depreciation

Depreciation is provided on a reducing balance basis, at the following annual rates, which are calculated to write off the cost of the fixed assets over their expected useful lives:

Plant and equipment	15%
Motor vehicles	25%

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.6 Pensions

Pension costs of the company's defined contribution scheme are charged to the profit and loss account as they become payable.

1.7 Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

MALYON LESTRANGE INSURANCE SERVICES LTD

Notes to the Financial Statements for the year to 31 March 1995

3 Operating Profit	1995	1994
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	13,400	17,246
Hire of plant and machinery	96	12,711
Auditors' remuneration	1,733	3,466
and after crediting:		
Rents receivable	6,410	5,115
	<u> </u>	<u> </u>
4 Other Interest Receivable and Similar Income	1995	1994
	£	£
Bank interest	11,942	9,625
	<u> </u>	<u> </u>
5 Interest Payable	1995	1994
	£	£
On bank loans and overdrafts	11,732	11,638
Hire purchase interest	2,974	2,038
	<u> </u>	<u> </u>
	14,706	13,676
	<u> </u>	<u> </u>
6 Taxation	1995	1994
	£	£
U.K. Current year taxation		
U.K. Corporation tax at 25% (1994 - 25%)	24,366	23,000
	<u> </u>	<u> </u>
7 Dividends	1995	1994
	£	£
Ordinary interim paid	28,000	20,000
	<u> </u>	<u> </u>
8 Intangible Fixed Assets		Goodwill
		£
Cost		
At 1 April 1994 & at 31 March 1995		175,642
		<u> </u>
At 31 March 1994		175,642
		<u> </u>

MALYON LESTRANGE INSURANCE SERVICES LTD

Notes to the Financial Statements for the year to 31 March 1995

9 Tangible Fixed Assets

	Plant and equipment	Motor vehicles	Total
	£	£	£
Cost			
At 1 April 1994	34,528	74,730	109,258
Additions	1,174	-	1,174
	<hr/>	<hr/>	<hr/>
At 31 March 1995	35,702	74,730	110,432
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 April 1994	18,070	31,705	49,775
Charge for the year	2,644	10,756	13,400
	<hr/>	<hr/>	<hr/>
At 31 March 1995	20,714	42,461	63,175
	<hr/>	<hr/>	<hr/>
Net book values			
At 31 March 1995	14,988	32,269	47,257
	<hr/>	<hr/>	<hr/>
At 31 March 1994	16,458	43,025	59,483
	<hr/>	<hr/>	<hr/>

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and equipment	Motor vehicles	Total
	£	£	£
Net book values			
At 31 March 1995	-	28,695	28,695
At 31 March 1994	-	38,260	38,260
Depreciation charge for the year			
31 March 1995	-	9,565	9,565
31 March 1994	-	12,754	12,754

10 Debtors

	1995 £	1994 £
Other debtors	8,551	13,471
Prepayments and accrued income	8,391	5,326
	<hr/>	<hr/>
	16,942	18,797
	<hr/>	<hr/>

MALYON LESTRANGE INSURANCE SERVICES LTD

Notes to the Financial Statements

for the year to 31 March 1995

11 Creditors : amounts falling due within one year	1995	1994
	£	£
Net obligations under finance lease and hire purchase contracts	13,687	11,401
Trade creditors	163,337	186,356
Corporation tax	22,366	23,000
Other taxes and social security costs	504	307
Directors current accounts	6,586	10,456
Other creditors	9,600	-
Accruals	7,547	3,466
	<u>223,627</u>	<u>234,986</u>
	<u><u>223,627</u></u>	<u><u>234,986</u></u>
 12 Creditors : amounts falling due after more than one year	 1995	 1994
	£	£
Bank loans	135,000	135,000
Net obligations under finance leases and hire purchase agreements	8,093	21,295
	<u>143,093</u>	<u>156,295</u>
	<u><u>143,093</u></u>	<u><u>156,295</u></u>
 Analysis of Loans		
Wholly repayable within five years	135,000	135,000
	<u>135,000</u>	<u>135,000</u>
	<u><u>135,000</u></u>	<u><u>135,000</u></u>
 Loan maturity analysis		
In five years or more	135,000	135,000
 Net obligations under finance leases and hire purchase contracts		
Repayable within one year	16,042	14,529
Repayable between one and five years	8,623	24,025
	<u>24,665</u>	<u>38,554</u>
Finance charges and interest allocated to future accounting periods	(2,884)	(5,858)
	<u>21,781</u>	<u>32,696</u>
Included in current liabilities	(13,687)	(11,401)
	<u>8,094</u>	<u>21,295</u>
	<u><u>8,094</u></u>	<u><u>21,295</u></u>

MALYON LESTRANGE INSURANCE SERVICES LTD

Notes to the Financial Statements for the year to 31 March 1995

13 Share Capital

	1995 £	1994 £
Authorised		
1000 Ordinary shares of £1 each	1,000	1,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
1000 Ordinary shares of £1 each	1,000	1,000
	<u> </u>	<u> </u>

14 Statement of Movement on Reserves

	Profit and loss account £
Balance at 1 April 1994	85,535
Retained profit for the year	25,529
	<u> </u>
Balance at 31 March 1995	111,064
	<u> </u>

15 Reconciliation of Movements in Shareholders' Funds

	1995 £	1994 £
Profit for the financial year	53,529	56,342
Dividends	(28,000)	(20,000)
	<u> </u>	<u> </u>
Net addition to shareholders' funds	25,529	36,342
Opening shareholders' funds	86,533	50,191
	<u> </u>	<u> </u>
Closing shareholders' funds	112,064	86,533
	<u> </u>	<u> </u>
	£	£
Remuneration	59,520	59,520
	<u> </u>	<u> </u>

MALYON LESTRANGE INSURANCE SERVICES LTD

Notes to the Financial Statements for the year to 31 March 1995

17 Employees

Number of employees

The average weekly number of employees (including directors) during the year was:

	1995 Number	1994 Number
	8	8
	<u>8</u>	<u>8</u>
Employment costs		
	£	£
Wages and salaries	131,127	132,683
Social security costs	12,591	13,525
Other pension costs	4,520	4,520
	<u>148,238</u>	<u>150,728</u>
	<u>148,238</u>	<u>150,728</u>