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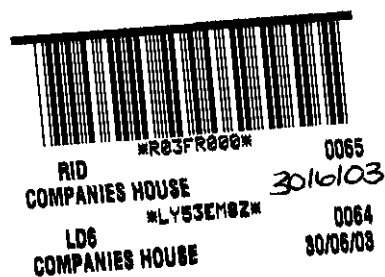
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WNS GLOBAL SERVICES (UK) LIMITED

formerly

TOWN & COUNTRY ASSISTANCE LIMITED

Report and Accounts

31 August 2002



4-7-03 102

4/7/01 102

Town & Country Assistance Limited

Registered No. 2292251

DIRECTORS

B Agnew
T T M Agnew
J Walker
DC Tibble

SECRETARY

J Walker

AUDITORS

Ernst & Young LLP
Becket House
1 Lambeth Palace Road
London SE1 7EU

REGISTERED OFFICE

Acre House
11-15 William Road
London
NW1 3ER

BUSINESS ADDRESS

St. Vincent House
Ipswich
Suffolk
IP1 1LL

BANKERS

Bank of Scotland Plc
35 Princes Street
Ipswich
IP1 1AE

Barclays Bank Plc
PO Box 216
Brightwell Court
Martlesham Heath
Ipswich
IP5 3PW

Town & Country Assistance Limited

DIRECTORS' REPORT

The directors present their annual report and the audited accounts for the year ended 31 August 2002.

PRINCIPAL ACTIVITIES

The principal activity of the company continues to be the handling and assessment of motor claims together with the provision of legal expenses insurance to motorists.

REVIEW OF THE BUSINESS

On 4 July 2002 the whole of the issued share capital of the company was acquired by WNS (Holdings) Limited.

The company continued to experience steady growth in the year ended August 31st 2002 and the directors are cautiously optimistic that this trend will continue.

RESULTS AND DIVIDENDS

The profit for the year after taxation amounted to £1,109,934 (2001: £287,726). The directors do not recommend a dividend for the year (2001: £637,272).

DIRECTORS AND THEIR INTERESTS

The directors at 31 August 2002 and their beneficial interests in the shares of the company were:

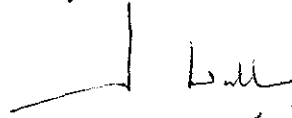
	Ordinary shares of 10p each	
	31 August 2002	1 September 2001
B Agnew	-	70,081
T T M Agnew	-	26,560
J Walker	-	5,050
D C Tibble	-	5,050

In addition at 1st September 2001, 350,613 Ordinary Shares were held in a trust in which TTM Agnew had a beneficial interest and 10,022 Ordinary Shares were held in a trust in which B Agnew had a beneficial interest.

AUDITORS

During the year HW Fisher & Company resigned as the company's auditors and Ernst & Young LLP were appointed to fill the casual vacancy arising. A resolution to reappoint Ernst & Young LLP as the company's auditor will be put to the forthcoming Annual General Meeting.

By order of the Board



Secretary

17th December 2002

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 or loss 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- 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 Town & Country Assistance Limited

We have audited the company's financial statements for the year ended 31 August 2002 which comprise Profit and Loss Account, Balance Sheet, Cash Flow Statement, Statement of Total Recognised Gains and Losses, and the related notes 1 to 28. These financial statements have been prepared on the basis of the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

This report has been prepared for the members of the company pursuant to Section 235 of the Companies Act 1985 (the "Act") and for no other purpose.

No person is entitled to rely on this report unless such person:

- i) is a person who is entitled to rely on this report by virtue of and for the purposes of the Act; or
- ii) has been expressly authorised to do so by our prior written consent

Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Our responsibilities, as independent auditors, are established in the United Kingdom by Statute, the Auditing Practices Board and by our profession's ethical guidance.

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

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 as at 31 August 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
London

17th December 2002

Town & Country Assistance Limited

PROFIT AND LOSS ACCOUNT for the year ended 31 August 2002

	Notes	2002 £	Restated 2001 £
TURNOVER	2	29,111,400	23,001,446
Cost of sales		(24,772,677)	(19,672,814)
GROSS PROFIT		4,338,723	3,328,632
Distribution costs		(40,273)	(40,808)
Administration expenses		(2,771,763)	(2,878,050)
OPERATING PROFIT	3	1,526,687	409,774
Interest receivable and similar income	6	105,698	124,646
Amounts written off investments	7	-	(7,500)
Interest payable and similar charges	8	(26,149)	(39,061)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,606,236	487,859
Tax on profit on ordinary activities	9(a)	(496,302)	(200,133)
PROFIT ON ORDINARY ACTIVITY AFTER TAXATION		1,109,934	287,726
Dividends	10	-	(637,272)
RETAINED PROFIT/(NET DEFICIT) FOR THE FINANCIAL YEAR		1,109,934	(349,546)
Retained profit brought forward		297,727	647,273
RETAINED PROFIT CARRIED FORWARD		1,407,661	297,727

All of the operations are considered to be continuing.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains and losses other than the profit for the year disclosed in the profit and loss account.

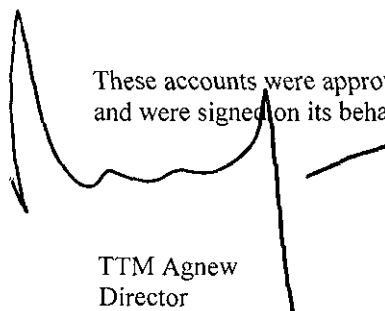
Town & Country Assistance Limited

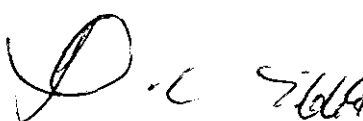
BALANCE SHEET

at 31 August 2002

	Notes	2002 £	Restated 2001 £
FIXED ASSETS			
Tangible assets	11	477,842	527,783
Investments	12	-	7,500
		<u>477,842</u>	<u>535,283</u>
CURRENT ASSETS			
Stocks	13	180,773	123,831
Debtors	14	4,661,099	2,530,371
Cash at bank and in hand		2,069,128	3,280,465
		<u>6,911,000</u>	<u>5,934,667</u>
CREDITORS: amounts falling due within one year	15	(5,850,834)	(6,019,377)
NET CURRENT ASSETS/ (LIABILITIES)		<u>1,060,166</u>	<u>(84,710)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,538,008</u>	<u>450,573</u>
CREDITORS: amounts falling due after more than one year	16	-	(22,499)
		<u>1,538,008</u>	<u>428,074</u>
CAPITAL AND RESERVES			
Called up share capital	19	50,505	50,505
Share premium account	20	24,810	24,810
Other reserves	20	55,032	55,032
Profit and loss account		1,407,661	297,727
EQUITY SHAREHOLDERS' FUNDS	21	<u>1,538,008</u>	<u>428,074</u>

These accounts were approved by the Board of directors on 17th December 2002
and were signed on its behalf by:


TTM Agnew
Director


D Tibble
Director

Town & Country Assistance Limited

STATEMENT OF CASH FLOWS

For the year ended 31 August 2002

	Notes	2002 £	Restated 2001 £
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	22	(512,017)	1,482,074
RETURNS ON INVESTMENT AND SERVICING OF FINANCE			
Interest paid		(16,841)	(28,175)
Interest received		105,698	124,646
Interest element of hire purchase and finance lease rentals		(9,308)	(10,886)
TAXATION			
UK Corporation Tax paid		(208,726)	(182,133)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Payments to acquire tangible fixed assets		(312,176)	(269,341)
Receipts from sale of fixed asset investment		7,500	-
Receipts from sales of tangible fixed assets		-	162,043
EQUITY DIVIDENDS PAID		(410,000)	(343,395)
FINANCING			
Capital element of finance lease rental payments		(48,934)	(41,056)
(DECREASE)/INCREASE IN CASH	23	<u>(1,404,804)</u>	<u>893,777</u>

NOTES TO THE ACCOUNTS
at 31 August 2002

1. ACCOUNTING POLICIES

Accounting convention

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

Changes in accounting policies

Following the acquisition of the company by WNS (Holdings) Limited during the year, the directors have carried out a review of the company's accounting policies. As a result the directors consider that the following changes give a fairer presentation of the results and financial position of the company.

- Turnover and cost of sales in respect of certain transactions where the company acts as agent is now shown on a net basis with the commission income or fees being shown within turnover. This has resulted in a reduction in both turnover and cost of sales of £14,431,414 for the year ended 31st August 2001.

- Certain balances received that have yet to be paid out to clients are considered more appropriately disclosed on a gross basis. This has resulted in an increase in both cash at bank and creditors of £140,686 as at 31st August 2001.

Accordingly it has been necessary to restate certain figures for the year ended 31st August 2001 on the basis of the new policies.

Neither of the above adjustments have any impact on the retained profit for the year ended 31st August 2001 or any earlier years.

In addition the company has adopted FRS 19 'Deferred Taxation' in the preparation of these accounts.

Turnover

Turnover represents the invoiced value of services provided net of VAT. Income from policies written is credited to the profit and loss account over the period of the cover. In respect of directly sold policies, a sum equal to the costs of selling that policy is credited to the profit and loss account on inception of the policy.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated on a straight-line basis over the estimated useful lives of the related assets as follows:

Buildings improvements	–	25%
Computer equipment & software	–	33-50%
Fixtures, fittings & equipment	–	25%
Motor vehicles	–	25%

Leasing and hire purchase commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts are capitalised in the balance sheet and depreciated over their useful lives. The capital element of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest element of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Town & Country Assistance Limited

NOTES TO THE ACCOUNTS

at 31 August 2002

Work in progress

Work in progress represents the costs incurred to date with cases outstanding at the year end and is stated at the lower of cost and net realisable value.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme

Deferred taxation

Full provision is made for deferred tax on all material timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less, tax in the future have occurred at the balance sheet date.

Deferred tax assets are recognised where their recovery is considered more likely than not in that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

Deferred tax is calculated on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse.

2. TURNOVER

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

3. OPERATING PROFIT

Operating profit is stated after charging:

	2002	2001
	£	£
Depreciation of owned tangible fixed assets	318,950	273,987
Depreciation of tangible fixed assets held under finance leases and hire purchase contracts	43,167	44,490
Operating lease rentals	247,477	85,239
Auditors' remuneration	20,000	15,000

Town & Country Assistance Limited

NOTES TO THE ACCOUNTS at 31 August 2002

4. DIRECTOR'S EMOLUMENTS

	2002 £	2001 £
Emoluments	193,650	773,638
Company contributions to defined contribution pension schemes	13,251	14,359
	<u>206,901</u>	<u>787,997</u>

Retirement benefits are accruing to 2 (2001 – 2) directors under a money purchase pension scheme.

The amounts disclosed above include the following amounts in respect of the highest paid director:

	2002 £	2001 £
Emoluments	72,150	103,404
Company contributions to defined contribution pension schemes	7,021	10,234
	<u>79,171</u>	<u>113,638</u>

5. STAFF COSTS

Number of employees

The average number of employees during the year was:

	2002 Number	2001 Number
Office management	130	134
Selling and distribution	16	14
	<u>146</u>	<u>148</u>

Employment costs

	2002 £	2001 £
Wages and salaries	2,686,003	2,957,333
Social security costs	226,268	264,498
Other pension costs	52,216	41,630
	<u>2,964,487</u>	<u>3,263,461</u>

Town & Country Assistance Limited

NOTES TO THE ACCOUNTS at 31 August 2002

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2002 £	2001 £
Interest receivable and similar income	105,698	124,646

7. AMOUNTS WRITTEN OFF INVESTMENTS

	2002 £	2001 £
Amounts written off fixed asset investments: - permanent diminution in value	-	7,500

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2002 £	2001 £
Interest payable on:		
Other loans	16,841	28,175
Finance lease and hire purchase contracts	9,308	10,886
	26,149	39,061

9. TAXATION

(a) Tax on profit on ordinary activities

	2002 £	2001 £
UK corporation tax at 30% (2001 – 30 %)		
Current	562,145	208,726
Deferred Tax	(65,843)	-
Over provision in respect of prior year	-	(8,593)
	496,302	200,133

Town & Country Assistance Limited

NOTES TO THE ACCOUNTS

at 31 August 2002

(b) Factors affecting the tax charge for the year

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2001 – 30%). The differences are reconciled below:

	2002 £	2001 £
Profit before tax	1,606,236	487,859
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2001 – 30%)	481,871	146,358
Expenses not deductible for tax purposes	15,669	16,864
Capital allowances in excess of depreciation	47,043	28,756
Other	17,562	16,748
Total current tax charge	562,145	208,726

10. DIVIDENDS

	2002 £	2001 £
Ordinary interim paid	-	227,272
Ordinary final proposed	-	410,000
	-	637,272

Town & Country Assistance Limited

NOTES TO THE ACCOUNTS

at 31 August 2002

11. TANGIBLE ASSETS

	<i>Leasehold building improvements</i>	<i>Plant and machinery</i>	<i>Fixtures, fittings & equipment</i>	<i>Total</i>
	£	£	£	£
Cost				
At 1 September 2001	79,797	1,001,958	271,225	1,352,980
Additions	33,074	246,975	32,127	312,176
Disposals	-	-	(150)	(150)
At 31 August 2002	112,871	1,248,933	303,202	1,665,006
Depreciation				
At 1 September 2001	41,190	595,434	188,573	825,197
Provided during the year	15,481	303,572	43,064	362,117
Disposals	-	-	(150)	(150)
At 31 August 2002	56,671	899,006	231,487	1,187,164
Net book value:				
At 31 August 2002	56,200	349,927	71,715	477,842
At 1 September 2001	38,607	406,524	82,652	527,783

Plant and machinery includes items held under finance leases with a net book value of £24,181(2001 – £69,503).

12. FIXED ASSET INVESTMENTS

	<i>Shares in participating interests</i>
	£
At 1 September 2001	7,500
Disposal of investments at net book value	(7,500)
At 31 August 2002	-

13. STOCKS

	<i>2002</i>	<i>2001</i>
	£	£
Work in progress	180,773	123,831

Town & Country Assistance Limited

NOTES TO THE ACCOUNTS

at 31 August 2002

14. DEBTORS

	2002	2001
	£	£
Trade debtors	2,608,727	2,300,971
Amounts due from related parties	28,189	28,427
Amounts due from immediate parent undertaking	1,500,000	-
Other debtors	91,825	54,452
Prepayments and accrued income	432,358	146,521
	<u>4,661,099</u>	<u>2,530,371</u>

15. CREDITORS: amounts falling due within one year

	2002	<i>Restated</i> 2001
	£	£
Bank overdraft	193,497	-
Trade creditors	4,264,093	3,849,895
Corporation tax	496,302	208,726
Other taxation and social security	355,774	413,611
Other creditors	281,930	346,441
Accruals and deferred income	144,187	471,770
Obligations under finance lease and hire purchase contracts (note 17)	19,999	48,934
Amounts owed to related parties	95,052	-
Directors' current accounts	-	270,000
Proposed dividend	-	410,000
	<u>5,850,834</u>	<u>6,019,377</u>

16. CREDITORS: amounts falling due after more than one year

	2002	2001
	£	£
Obligations under finance leases and hire purchase contracts (note 17)	-	19,999
Other creditors	-	2,500
	<u>-</u>	<u>22,499</u>

Town & Country Assistance Limited

NOTES TO THE ACCOUNTS

at 31 August 2002

17. OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS

The maturity of obligations under finance leases and hire purchase contracts is as follows:

	2002 £	2001 £
Within one year	19,999	48,934
In the second to fifth year	-	19,999
Gross obligations	<u>19,999</u>	<u>68,933</u>

18. DEFERRED TAXATION

	2002 £	2001 £
Capital allowances in excess of depreciation	40,393	-
Other timing differences	25,450	-
	<u>65,843</u>	<u>-</u>

19. SHARE CAPITAL

	2002 £	2001 £
Authorised:		
1,000,000 Ordinary shares of 10p each	100,000	100,000
100,000 Redeemable preference shares of £1 each	100,000	100,000
Allotted, called up and fully paid:		
505,05 Ordinary shares of £1 each	<u>50,505</u>	<u>50,505</u>

20. RESERVES

	Share premium account £	Capital redemption reserve £	Total £
Balance at 1 September 2001 and at 31 August 2002	<u>24,810</u>	<u>55,032</u>	<u>79,842</u>

Town & Country Assistance Limited

NOTES TO THE ACCOUNTS

at 31 August 2002

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002	2001
	£	£
Opening shareholders' funds	428,074	777,620
Retained profit for the year	1,109,934	287,726
Dividends	-	(637,272)
Closing shareholders' funds	<u>1,538,008</u>	<u>428,074</u>

22. NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2002	<i>Restated</i> 2001
	£	£
Operating profit	1,526,687	409,774
Depreciation of tangible fixed assets	362,117	318,477
Loss on disposal of tangible fixed assets	-	(259)
Increase in work in progress	(56,942)	(30,692)
Increase in debtors	(2,130,728)	(753,616)
(Increase)/decrease in creditors	(213,151)	1,538,390
	<u>(512,017)</u>	<u>1,482,074</u>

23. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2002	<i>Restated</i> 2001
	£	£
(Decrease)/increase in cash in the period	(1,404,804)	893,777
Cash used to repay capital element of finance lease and hire purchase payment	48,934	41,056
Change in net debt arising from cash flows	<u>(1,355,870)</u>	<u>934,833</u>
Movement in net debt	(1,355,870)	934,833
Net debt at beginning of the period	3,211,532	2,276,699
Net debt at the end of the period	<u>1,855,662</u>	<u>3,211,532</u>

Town & Country Assistance Limited

NOTES TO THE ACCOUNTS

at 31 August 2002

24. ANALYSIS OF NET DEBT

	<i>Restated</i> <i>At 1 September</i> <i>2001</i>	<i>Cash Flow</i>	<i>At 31 August</i> <i>2002</i>
	£	£	£
Cash at bank and in hand	3,280,465	(1,211,337)	2,069,128
Bank overdraft	-	(193,467)	(193,467)
Hire purchase and finance lease obligations	(68,933)	48,934	(19,999)
	<u>3,211,532</u>	<u>(1,355,870)</u>	<u>1,855,662</u>

25. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £52,216 (2001: £41,630).

26. OTHER FINANCIAL COMMITMENTS

At 31 August 2002 the company had annual commitments under non-cancellable operating leases as set out below:

	<i>Land and</i> <i>Buildings</i>		<i>Other</i>	
	<i>2002</i>	<i>2001</i>	<i>2002</i>	<i>2001</i>
	£	£	£	£
Expiry date:				
Within one year	147,324	98,750	8,048	14,662
Between two and five years	-	-	92,296	79,918
In over five years	-	-	-	-
	<u>147,324</u>	<u>98,750</u>	<u>100,344</u>	<u>94,580</u>

Town & Country Assistance Limited

NOTES TO THE ACCOUNTS

at 31 August 2002

27. RELATED PARTY TRANSACTIONS

TTM Agnew

Creditors include £nil (2001: £270,000) owed to TTM Agnew one of the company's directors.

Accident & Credit (Property) Limited

As at the balance sheet date the company owed £4,955 (2001: nil) to Accident & Credit (Property) Limited, a company in which TTM Agnew is a director and has a material interest. In turn, Accident & Credit (Property) Limited owed the company £22,000 (2001: £26,038).

Practical Car & Van Rental Limited

As at the balance sheet date the company owed £90,067 (2001: nil) to Practical Car & Van Rental Limited, a company in which B Agnew is a director and has a material interest. In turn Practical Car & Van Rental Limited owed the company £6,189 (2001: £2,389).

Idoink Ltd

As at the balance sheet date the company owed £42,625 (2001: £71,811) to Idoink Limited, a company in which TTM Agnew holds a material interest.

The transactions with Accident & Credit (Property) Limited, Practical Car & Van Rental Limited and Idoink Ltd were carried out at arms length and on normal commercial terms.

28. ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is WNS (Holdings) Limited, a company incorporated in Jersey.