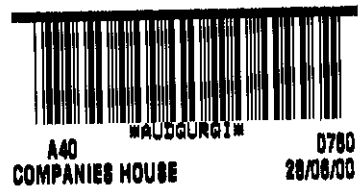


# **BRM Insurance Consultants Limited**

## **Annual Report**

**for the year ended 31 December 1999**

Registered no: 2305333



# **BRM Insurance Consultants Limited**

## **Annual report for the year ended 31 December 1999**

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**Directors' report  
for the year ended 31 December 1999**

The directors present their report and the audited financial statements for the year ended 31 December 1999.

**Principal activity**

The company's principal activity during the year was that of insurance consultants.

On 1 January 2000 the undertaking and net assets of the company were acquired at their net book value of £240,767, by OBC Insurance Consultants Limited, the company's parent company and the company ceased trading.

**Dividend and transfer to reserves**

The directors do not recommend the payment of a dividend. The profit for the year of £85,421 has been transferred to reserves

**Directors**

The directors who served during the year were as follows:

R.Paston  
J Shipley  
M J Vaughan

A resolution to re-appoint Mr R Paston as a director of the company will be proposed at the forthcoming Annual General Meeting notwithstanding that he has attained the age of 70.

Mr Paston, Mr Shipley and Mr Vaughan are directors of the immediate parent company, OBC Insurance Consultants Limited, and their interests in the share capital of group companies are shown in the director's report of that company.

**Year 2000**

The company experienced no significant problems related to year 2000 issues either with its own systems or with those of third parties.



**Directors' report (continued)****Directors' responsibilities**

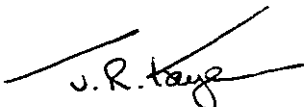
The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**Auditors**

A resolution to reappoint PricewaterhouseCoopers as auditors to the company will be proposed at the annual general meeting.

**By order of the board**

J.R.Kaye  
Secretary  
29 March 2000



**Auditors' report to the members of BRM Insurance Consultants Limited**

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on pages 6&7.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the Annual Report. As described on page 2, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and 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 United Kingdom Companies Act. 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

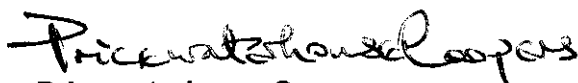
**Basis of audit opinion**

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 at 31 December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the United Kingdom Companies Act 1985.

**PricewaterhouseCoopers**

Chartered Accountants and Registered Auditors

Birmingham

29 March 2000



**Profit and loss account  
for the year ended 31 December 1999**

	Notes	1999 £	1998 £
<b>Turnover</b>	1/4	<b>234,654</b>	216,162
Administrative expenses		<b>109,710</b>	105,608
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>	4	<b>124,943</b>	110,554
Taxation	5	<b>39,523</b>	32,351
		<hr/>	<hr/>
Profit on ordinary activities after taxation	11	<b>85,421</b>	78,203
		<hr/>	<hr/>

The company has no recognised gains and losses other than those included in the profits above, and therefore no separate statement of recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

The above results relate wholly to continuing activities.

## Balance sheet at 31 December 1999

	Notes	1999	1998
		£	£
<b>Fixed assets</b>			
Intangible assets	6	19,300	21,425
Tangible assets	7	3,286	4,152
		<u>22,586</u>	<u>25,577</u>
<b>Current assets</b>			
Debtors	8	246,105	151,633
Cash at bank and in hand		111,215	113,365
		<u>357,320</u>	<u>264,998</u>
<b>Creditors:</b> amounts falling due within one year	9	(139,139)	(135,229)
<b>Net current assets</b>		<u>218,181</u>	<u>129,769</u>
<b>Net assets</b>		<u>240,767</u>	<u>155,346</u>
<b>Capital and reserves</b>			
Called up share capital	10	100	100
Profit and loss account	11	240,667	155,246
<b>Equity shareholders' funds</b>	12	<u>240,767</u>	<u>155,346</u>

The financial statements on pages 4 to 11 were approved by the board of directors on 29 March 2000 and were signed on its behalf by:

  
J. Shipley  
Director



## **Notes to the financial statements for the year ended 31 December 1999**

### **Changes in presentation of financial information**

FRS 12 " Provisions, contingent liabilities and contingent assets" has been adopted in this year's financial statements but has not resulted in any change in presentation.

### **1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been consistently applied is set out below.

#### **Basis of accounting**

The financial statements have been prepared on the historical cost basis of accounting and on a going concern basis.

#### **Depreciation**

Depreciation is charged on a straight line basis from the month of purchase, to write down the cost of tangible fixed assets over their estimated useful lives applying the following annual rates:

Office equipment	15% - 20%
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#### **Turnover**

Turnover represents brokerage and other commissions. Commissions are included in the profit and loss account from the inception of an agency contract.

#### **Goodwill**

Goodwill arising on the acquisition of businesses is calculated as the difference between the fair value of the separable net assets acquired and the fair value of the consideration, and is written off to the profit and loss account over its estimated economic life of 20 years.



**Principal accounting policies (continued)****Deferred taxation**

Provision for deferred taxation is made only where a liability is expected to arise in the foreseeable future. Provisions are calculated at the current rate of corporation tax.

**Related party transactions**

The company is a wholly owned subsidiary of OBC Insurance Consultants Ltd which itself is a wholly owned subsidiary of Secure Trust Banking Group PLC. The company is therefore exempt from disclosing transactions with the parent company under the terms of the Financial Reporting Standard No.8.

**Operating leases**

Operating lease rentals are charged to profit and loss account as incurred.

**Cash flow statement**

The company is a wholly owned subsidiary of OBC Insurance Consultants Limited which is itself a wholly owned subsidiary of Secure Trust Banking Group PLC, and the cash flows of the company are included in the consolidated group cash flow statement of Secure Trust Banking Group PLC. Consequently, the company is exempt under the terms of Financial Reporting Standard No 1 (Revised) from publishing a cash flow statement.

**2 Directors' emoluments**

The emoluments of the Directors are paid by Secure Trust Bank PLC and by the immediate parent company respectively which make no recharges to the company. Their total emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of those companies.



**3 Employee information**

	1999	1998
By activity:	Number	Number
Administration	7	7
	<u>7</u>	<u>7</u>
	£	£
Staff costs:		
Wages and salaries	70,251	62,901
Social security costs	5,084	4,900
	<u>75,335</u>	<u>67,801</u>
	<u>75,335</u>	<u>67,801</u>

**4 Turnover and profit on ordinary activities before taxation**

No analysis of turnover or profit before taxation by activity or geographical area is given as the company is involved in only one activity which arises entirely in the United Kingdom.

	1999	1998
	£	£
Profit on ordinary activities before taxation is stated after charging:		
Amortisation of intangible fixed assets	2,125	2,125
Depreciation on tangible fixed assets	866	1,249
Auditors' remuneration	1,500	1,500
Equipment rentals	291	299
Other operating lease rentals	10,750	-
	<u>15,532</u>	<u>5,173</u>



**5 Taxation**

	1999 £	1998 £
United Kingdom corporation tax at 30.25% (1998: 31%)		
Current	38,867	33,918
Under/(over) provision in respect of prior years		
Current	656	(1,567)
	<u>39,523</u>	<u>32,351</u>

**6. Intangible fixed assets**

Goodwill	Cost £	Amortisation £	Net book values £
At 1 January 1999	42,500	21,075	21,425
Charge for the year	-	2,125	2,125
	<u>42,500</u>	<u>23,200</u>	<u>19,300</u>
At 31 December 1999	42,500	23,200	19,300

**7 Tangible fixed assets**

	Office Equipment £
<b>Cost</b>	
At 1 January 1999 and 31 December 1999	39,381
<b>Depreciation</b>	
At 1 January 1999	35,229
Charge for the year	866
	<u>36,095</u>
<b>At 31 December 1999</b>	<u>36,095</u>
<b>Net book value</b>	
<b>At 31 December 1999</b>	3,286
Net book value	
At 31 December 1998	<u>4,152</u>

**8 Debtors**

	1999 £	1998 £
<b>Amounts falling due within one year</b>		
Trade debtors	47,521	45,141
Amounts owed by group undertakings	194,262	100,928
Prepayments and accrued income	4,322	5,564
	<u>246,105</u>	<u>151,633</u>

**9 Creditors: amounts falling due within one year**

	1999 £	1998 £
Trade creditors	99,111	92,928
Corporation tax	39,523	41,604
Accruals and deferred income	505	697
	<u>139,139</u>	<u>135,229</u>

**10 Called-up share capital**

	1999 £	1998 £
<b>Authorised</b>		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Allotted, called up and fully paid</b>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>



**11. Profit and loss account**

	£
At 1 January 1999	155,246
Retained profit for the year	85,421
	<hr/>
At 31 December 1999	240,667
	<hr/> <hr/>

**12 Reconciliation of movements in equity shareholders' funds**

	1999 £	1998 £
Retained profit for the year	85,421	78,203
Opening shareholders' funds	155,346	77,143
	<hr/>	<hr/>
Closing shareholders' funds	240,767	155,346
	<hr/> <hr/>	<hr/> <hr/>

**13 Financial commitments**

At 31 December 1999 the company had annual commitments under non-cancellable operating leases as follows:

	1999		1998	
	Property rentals	Other	Property Rentals	Other
	£	£	£	£
Expiring:				
Between two and five years	10,750	566	10,750	1,076
	<hr/>	<hr/>	<hr/>	<hr/>

**14 Ultimate parent company**

The directors regard Secure Trust Banking Group PLC, a company registered in England and Wales, as the ultimate parent company and ultimate controlling party. A copy of the consolidated financial statements of Secure Trust Banking Group PLC may be obtained from The Secretary, Secure Trust Banking Group PLC, Paston House, Arlestone Way, Solihull, B90 4LH.