

Abbreviated Financial Statements
for the Year Ended 30 November 1996
for
Passive Technology Limited



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for the Year Ended 30 November 1996

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Passive Technology Limited

Company Information

for the Year Ended 30 November 1996

DIRECTORS:

A W Bentley
J C Bentley

SECRETARY:

AW Bentley

REGISTERED OFFICE:

Holly House
105 Hyde Road
Woodley
Stockport
Cheshire
SK6 1NB

REGISTERED NUMBER:

2665937

AUDITORS:

De La Wyche Baker & Co.
Registered Auditors
Chartered Accountants
105 Hyde Road
Woodley
Stockport
SK6 1NB

Passive Technology Limited

Report of the Auditors to

Passive Technology Limited

Pursuant to Paragraph 24 of Schedule 8 to the Companies Act 1985

We have examined the abbreviated financial statements on pages four to six together with the full financial statements of Passive Technology Limited prepared under Section 226 of the Companies Act 1985 for the year ended 30 November 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page four and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 30 November 1996, and the abbreviated financial statements on pages four to six have been properly prepared in accordance with that Schedule.

Other information

On 19 February 1997 we reported, as auditors of Passive Technology Limited, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 30 November 1996, and our audit report was as follows:

"We have audited the financial statements on pages five to nine which have been prepared under the historical cost convention and the accounting policies set out on page seven.

Respective responsibilities of directors and auditors

As described on page three 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 judgments 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.

Passive Technology Limited

Report of the Auditors to

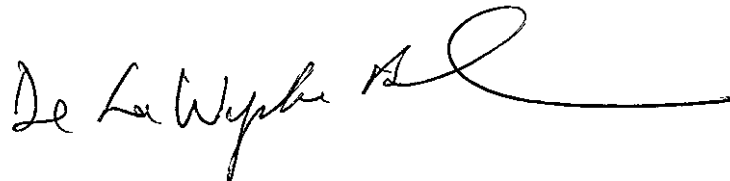
Passive Technology Limited

Pursuant to Paragraph 24 of Schedule 8 to the Companies Act 1985

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 November 1996 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies."

De La Wyche Baker & Co.
Registered Auditors
Chartered Accountants
105 Hyde Road
Woodley
Stockport
SK6 1NB

A handwritten signature in dark ink, appearing to read 'De La Wyche Baker & Co.', followed by a long horizontal flourish.

Dated: 19 February 1997

Passive Technology Limited

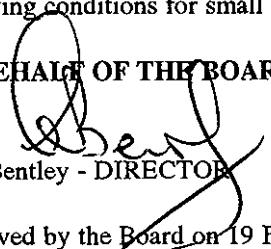
Abbreviated Balance Sheet
30 November 1996

		30.11.96	30.11.95
	Notes	£	£
CURRENT ASSETS:			
Debtors		26,940	30,853
Cash at bank		124	518
		<u>27,064</u>	<u>31,371</u>
CREDITORS: Amounts falling due within one year		-	3,461
		<u>27,064</u>	<u>27,910</u>
NET CURRENT ASSETS:			
TOTAL ASSETS LESS CURRENT LIABILITIES:		<u>£27,064</u>	<u>£27,910</u>
CAPITAL AND RESERVES:			
Called up share capital	2	41,000	41,000
Profit and loss account		(13,936)	(13,090)
Shareholders' funds		<u>£27,064</u>	<u>£27,910</u>

Advantage has been taken of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the grounds that, in the opinion of the directors, the company is entitled to the benefit of those exemptions as a small company.

In preparing the full financial statements, the directors have taken advantage of special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985. The directors have done so on the grounds that, in their opinion, the company is entitled to the benefit of those exemptions because it meets the qualifying conditions for small companies as stated in Section 247 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


A W Bentley - DIRECTOR

Approved by the Board on 19 February 1997

Notes to the Abbreviated Financial Statements
for the Year Ended 30 November 1996

1. **ACCOUNTING POLICIES**

Accounting convention

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

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Turnover represents brokerage and fees which are taken to income when debit notes are issued, irrespective of the inception date or period of insurance, with the principal exception that life and pensions brokerage and other commissions are credited when received.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

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.

2. **CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.11.96 £	30.11.95 £
500	'A' Ordinary	£1	500	500
500	'B' Ordinary	£1	500	500
40,000	Redeemable Preference	£1	40,000	40,000
			<hr/> 41,000 <hr/>	<hr/> 41,000 <hr/>

The Preference Shares are redeemable on 19th December 2001. On 29th November 1992, 29th November 1993, 29th November 1994, 29th November 1995 and 29th November 1996 the dividend due on the issued Redeemable Preference Shares was not paid. The amount due of £10,200 is carried forward to 29th November 1997 and becomes payable on that date.

3. **ULTIMATE PARENT COMPANY**

On 8 February 1995 Two Cities Insurance Consultants Limited purchased 500 Ordinary 'B' shares in Two Cities Financial Management Limited. Two Cities Financial Management Limited is now a wholly owned subsidiary of Two Cities Insurance Consultants Limited.

Passive Technology Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 30 November 1996

4. TRANSFER OF BUSINESS

The company has now ceased to trade as general insurance consultants. All of the assets and liabilities have been transferred to Two Cities Insurance Consultants Limited at their net book value.