

Worldcover Direct Limited

Directors' report and financial statements

Year ended 31 December 1998

Registered number 2704078



Worldcover Direct Limited

Directors' report and financial statements

Contents

Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	3
Auditors' report	4
Balance sheet	5
Notes	6 - 7

Worldcover Direct Limited

Officers and professional advisers

Directors

SJ Basaran
CA Cowdery
TA Schauenberg

Secretary

SJ Basaran

Registered office

Vantage West
Great West Road
Brentford
Middlesex
TW8 9AG

Auditors

KPMG Audit Plc
8 Salisbury Square
London
EC4Y 8BB

Bankers

The Royal Bank of Scotland plc
62-63 Threadneedle Street
London
EC2R 8LA

Worldcover Direct Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 1998.

Principal activities

The principal activity of the company was the provision of marine breakdown and recovery services. The company has not traded since October 1993.

Review of the business and future prospects

The company did not trade during the year. The directors do not consider that trading will recommence in the current year.

Directors and their share interests

The directors who served during the year and those who were appointed after 31 December 1998 were as follows:

SJ Basaran	
EA Tilly	(resigned 1 August 1998)
CA Cowdery	(appointed 1 July 1998)
DL Raab	(resigned 1 June 1999)
TA Schauenberg	(appointed 21 May 1999)

None of the directors held any beneficial interest in the shares of the company or its fellow subsidiary companies at 31 December 1998 or 1 January 1998. The interests of the directors who are also directors of the immediate parent company, in the shares of the immediate parent company, GE Capital Warranty Services Group Limited, are given in that company's financial statements.

Post Balance Sheet Event

The parent company of Worldcover Direct Limited, GE Capital Warranty Services Group Limited was acquired by Aon Holdings (U.K.) Limited on 19 February 1999. As from this date the parent company of Worldcover Direct Limited is GE Insurance Holdings Limited.

By order of the board



SJ Basaran
Secretary

Vantage West
Great West Road
Brentford
Middlesex
TW8 9AG

22 October 1999

Worldcover Direct Limited

Statement of 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 as at the end of the financial year and of its profit or loss 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 within 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.

Worldcover Direct Limited

Auditors' report to the members of Worldcover Direct Limited

We have audited the financial statements on pages 5 to 7.

Respective responsibilities of directors and auditors

As described on page 3 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 December 1998 and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

PO Box 695
8 Salisbury Square
London
EC4Y 8BB
22 October 1999


Worldcover Direct Limited

Balance sheet

As at 31 December 1998

	Note	1998 £	1997 £
Current assets			
Amounts owed by fellow subsidiaries	3	34,701	34,701
Creditors: amounts falling due within one year	4	(169,783)	(169,783)
Net current liabilities		(135,082)	(135,082)
Total assets less current liabilities		(135,082)	(135,082)
Capital and reserves			
Called up share capital	5	100	100
Profit and loss account		(135,182)	(135,182)
Equity shareholders' funds		(135,082)	(135,082)

These financial statements were approved by the board of directors on 22 October 1999 and were signed on its behalf by:


SJ Basaran
Director

Worldcover Direct Limited

Notes to the accounts

(forming part of the financial statements)

1 Accounting policies

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies are described below.

Accounting convention

The financial statements are prepared under the historical cost convention and on the going concern basis based on an undertaking from the immediate parent undertaking to provide the support necessary to allow the company to trade as and when required. As the company did not trade during the year or for the previous period a profit and loss account is not being prepared.

2 Employees

The company had no employees during the year (1997:Nil). The directors received no emoluments in respect of their services to the company during the year (1997:£Nil). The remuneration of the directors who are also directors of the immediate parent company, GE Capital Warranty Services Group Limited (formerly IMCO Group Limited), are disclosed in the accounts of that company.

3 Debtors

	1998 £	1997 £
Amounts owed by fellow subsidiaries	34,701	34,701
	=====	=====

4 Creditors: amounts falling due within one year

	1998 £	1997 £
Amounts owed to fellow subsidiaries	169,783	169,783
	=====	=====

Worldcover Direct Limited

Notes to the accounts *(continued)*

5 Called up share capital

	1998	1997
	£	£
<i>Authorised, allotted and fully paid</i>		
200 ordinary shares of 50p each	100	100
	<u> </u>	<u> </u>

6 Parent company

The company's ultimate holding company is General Electric Company ("GEC"), a company registered in the state of New York, in the United States of America. GEC is the parent of the largest group of which the company is a member and for which group financial statements are prepared. The group financial statements of GEC are available to the public and may be obtained from GE Corporate Investor Communications, 3135 Easton Turnpike, Fairfield, Connecticut 06431, USA.

The company's immediate parent company was GE Capital Warranty Services Group Limited, a company incorporated in Great Britain and registered in England and Wales.

The company's immediate parent company from 19 February 1999 is GE Insurance Holdings Limited, a limited company incorporated in Great Britain and registered in England and Wales.

GE Capital Warranty Services Group Limited, was the parent of the smallest group of which the company was a member and for which group financial statements were prepared. The group financial statements of GE Capital Warranty Services Group Limited may be obtained from the Company Secretary, Vantage West, Great West Road, Brentford, Middlesex TW8 9AG.