

COPY

Abbreviated Financial Statements
for the Year Ended 31 December 2002
for
Hedley Davies & Co Limited



Ashmole & Co
Chartered Certified Accountants
Williamston House
7 Goat Street
Haverfordwest

Hedley Davies & Co Limited
Report of the Independent Auditors to
Hedley Davies & Co Limited
Under Section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages three to five, together with the full financial statements of the company for the year ended 31 December 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did 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 to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to five are properly prepared in accordance with those provisions.



Ashmole & Co
Chartered Certified Accountants
Registered Auditors
Williamston House
7 Goat Street
Haverfordwest
Pembrokeshire
SA61 1PX

Date: 16/4/03

Hedley Davies & Co Limited

**Abbreviated Balance Sheet
31 December 2002**

		31.12.02		31.12.01	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		28,851		30,642
CURRENT ASSETS:					
Debtors		306,077		175,027	
Cash at bank and in hand		168,412		201,682	
		474,489		376,709	
CREDITORS: Amounts falling due within one year	3	442,390		374,627	
NET CURRENT ASSETS:			32,099		2,082
TOTAL ASSETS LESS CURRENT LIABILITIES:			60,950		32,724
CREDITORS: Amounts falling due after more than one year	3		27,765		23,233
			£33,185		£9,491
CAPITAL AND RESERVES:					
Called up share capital	4		1,000		1,000
Profit and loss account			32,185		8,491
SHAREHOLDERS' FUNDS:			£33,185		£9,491

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 December 2002.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2002 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:


J. Ace - DIRECTOR

Approved by the Board on 28/7/2003

The notes form part of these financial statements

Hedley Davies & Co Limited

Notes to the Abbreviated Financial Statements for the Year Ended 31 December 2002

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Revenue and expenses recognition

It is impractical to devise accounting policies which consistently match revenue from brokerage with the related expenses. Accordingly, the following basis are adopted:

i) Turnover - turnover represents brokerage and fees which are taken to credit when debit or fee notes are issued irrespective of the inception date or period of insurance, with the exception of life commission which is credited when received. Alterations in brokerage arising from return and additional premiums and adjustments are taken into account as and when these adjustments occur.

ii) Expenses - expenses are written off as incurred.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery etc	- 15% on reducing balance, 10% on reducing balance, Straight line over 7 years and Straight line over 5 years
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Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Hedley Davies & Co Limited

Notes to the Abbreviated Financial Statements for the Year Ended 31 December 2002

2. TANGIBLE FIXED ASSETS

	Total
	<u>£</u>
COST:	
At 1 January 2002	77,930
Additions	18,247
Disposals	<u>(17,941)</u>
At 31 December 2002	<u>78,236</u>
DEPRECIATION:	
At 1 January 2002	47,288
Charge for year	12,500
Eliminated on disposals	<u>(10,403)</u>
At 31 December 2002	<u>49,385</u>
NET BOOK VALUE:	
At 31 December 2002	<u><u>28,851</u></u>
At 31 December 2001	<u><u>30,642</u></u>

3. CREDITORS

The following secured debts are included within creditors:

	31.12.02	31.12.01
	£	£
Bank overdrafts	-	<u>18,880</u>

4. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.02	31.12.01
			£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>