

# IGI INSURANCE SERVICES LIMITED

## REPORT AND FINANCIAL STATEMENTS

for the year ending

31 MARCH 1998

Minerva House  
Spaniel Row  
Nottingham  
NG1 6EP

Company Number: 3173997



# **IGI INSURANCE SERVICES LIMITED**

## **REPORT OF THE DIRECTORS**

The directors present their second report and financial statements for the period ended 31 March 1998.

### **PRINCIPAL ACTIVITIES**

The company acts as an intermediary and markets insurance products from which it derives its income.

### **REVIEW OF THE BUSINESS**

The company traded successfully during the year, and recorded a profit of £10,667, compared to a loss of £32,864 for the preceding period. The directors are confident that the company will remain profitable in the forthcoming year.

### **DIRECTORS**

The directors, except where set out below, have held office during from 1 April 1997 to the date of this report.

J A Levin  
K P Horn

No director has a direct interest in the shares of the company. Interests of directors in the shares of the parent undertakings are disclosed in those companies' accounts.

No director had any material interest during the year in any significant contract entered into by the company.

### **DIVIDENDS**

No dividends were paid during the period under review (1997 - £nil).

### **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 and of the profit or loss for the year. 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, subject to any material departures disclosed and explained in the financial statements; and
- 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 maintaining 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.

**IGI INSURANCE SERVICES LIMITED**

**REPORT OF THE DIRECTORS**

**AUDITORS**

In accordance with the elective resolution passed at the meeting of the Board of Directors on 6 June 1996, Binder Hamlyn are re-appointed as auditors of the Company.

**APPROVAL OF ACCOUNTS**

This report was approved by the Board of Directors on 24 June 1998.

**BY ORDER OF THE BOARD**

A handwritten signature in black ink, appearing to read 'K P Horn', is written over a horizontal line.

**K P Horn**  
Secretary  
24 June 1998

**AUDITORS' REPORT TO MEMBERS OF  
IGI INSURANCE SERVICES LIMITED**

We have audited the financial statements on pages 4 to 8 which have been prepared on the basis of the accounting policies set out on page 6.

**Respective responsibilities of directors and auditors**

As described on page 1, 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.

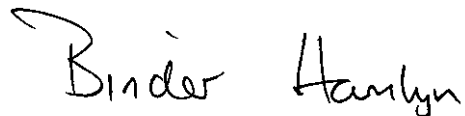
**Basis of opinion**

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 company's state of affairs as at 31 March 1998 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Binder Hamlyn**  
Chartered Accountants and Registered Auditors

24 June 1998

20 Old Bailey  
London  
EC4M 7BH

**IGI INSURANCE SERVICES LIMITED**

**PROFIT AND LOSS ACCOUNT**

**for the year ending 31 March 1998**

	<u>Notes</u>	£	£
<b>TURNOVER</b> – continuing operations		21,597	3,236
<b>OPERATING EXPENSES</b>	1	(10,930)	(36,100)
		-----	-----
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES</b> before taxation		10,667	(32,864)
<b>TAXATION</b>	2	-	-
		-----	-----
<b>RETAINED PROFIT/(LOSS)</b> for the period		10,667	(32,864)
		=====	=====

The Company has no recognised gains and losses other than the losses above, and therefore no separate statement of total recognised gains and losses has been presented.

**IGI INSURANCE SERVICES LIMITED****BALANCE SHEET****as at 31 March 1998**

	<u>Notes</u>	£	£
<b>CURRENT ASSETS</b>			
Debtors	4	15,240	5,364
Cash at bank and in hand		3,449	547
		<u>18,689</u>	<u>5,911</u>
<b>CREDITORS : amounts falling due within one year</b>	5	<u>(40,786)</u>	<u>(38,675)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(22,097)</u>	<u>(32,764)</u>
<b>CAPITAL AND RESERVES</b>			
<b>EQUITY INTERESTS</b>			
Called up share capital	6	100	100
Profit and loss account	7	<u>(22,197)</u>	<u>(32,864)</u>
<b>Shareholders' funds</b>		<u>(22,097)</u>	<u>(32,764)</u>

The financial statements on pages 4 to 8 were approved by the Board of Directors on 24 June 1998 and are signed on its behalf by:-



**K P Horn**  
Director

**IGI INSURANCE SERVICES LIMITED**  
**NOTES ON THE FINANCIAL STATEMENTS**  
for the period ending 31 March 1998

**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 is set out below.

**(a) Basis of accounting**

The financial statements have been prepared in accordance with the historical cost convention.

**(b) Revenue recognition**

Turnover represents insurance fees earned. Credit is taken for fees on the inception date of the policy and on premium adjustments as and when such adjustments are made.

**(c) Taxation**

The charge for taxation is based on the taxable profit for the year at current rates of taxation. There is no potential liability for deferred taxation.

**(d) Insurance debtors and creditors**

The company acts as agent in handling the insurable risks of its clients and is not liable as principal for premiums due to underwriters or for claims payable to clients. Notwithstanding the legal relationships with clients and underwriters and since, in practice, premium and claim monies are usually accounted for by insurance intermediaries, the Company has followed generally accepted accounting practice by showing cash, debtors and creditors relating to the insurance business as assets and liabilities of the company itself.

**1. OPERATING EXPENSES**

	1998	1997
	£	£
Operating expenses include:		
Auditors' remuneration	250	250
	-----	-----

**2. TAXATION**

No provision for taxation has been made, as the company does not have any taxable income.

**3. DIRECTORS' REMUNERATION**

The remuneration of the directors during the period is £nil (1997 - £nil).

**4. DEBTORS**

	1998	1997
	£	£
Trade debtors	15,140	5,264
Amount due from holding company	100	100
	-----	-----
	15,240	5,364
	=====	=====

**IGI INSURANCE SERVICES LIMITED**  
**NOTES ON THE FINANCIAL STATEMENTS**

**for the period ending 31 March 1998**

**5. CREDITORS**

	1998	1997
	£	£
Trade creditors	14,233	5,505
Payable to fellow subsidiary	26,553	33,170
	-----	-----
	40,786	38,675
	=====	=====

**6. SHARE CAPITAL**

	£	£
Authorised ordinary shares of £1 each	100,000	100,000
	=====	=====
Allotted, issued and fully paid ordinary shares of £1 each	100	100
	=====	=====

**7. PROFIT AND LOSS ACCOUNT**

	£	£
Brought forward at 1 April 1997	(32,864)	-
Retained profit/(loss) for the year	10,667	(32,864)
	-----	-----
Carried forward at 31 March 1998	(22,197)	(32,864)
	=====	=====

**8. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	1998	1997
	£	£
Opening shareholders funds at 1 April 1997	(32,764)	-
Issue of share capital	-	100
Retained profit/(loss) for the period	10,667	(32,864)
	-----	-----
Closing shareholders funds at 31 March 1998	(22,097)	(32,764)
	=====	=====

**9. HOLDING COMPANY**

The immediate holding company is HCI (UK) Holdings Limited, which owned 100% of the issued share capital at 31 March 1998. HCI (UK) Holdings Limited, a company registered in England, is the parent company of the smallest group for which consolidated accounts are produced which include IGI Insurance Services Limited.

The entire share capital of HCI (UK) Holdings Limited is owned by Amity International SA, a company registered in Luxembourg. Amity International SA is the parent company of the largest group for which consolidated accounts are produced which include IGI Insurance Services Limited. Copies of both sets of accounts may be obtained from IGI Insurance Services Limited's registered office.

Watkins Holdings Limited, a company incorporated in the British Virgin Islands, owns 77% of the issued share capital of Amity International SA. The Directors consider Watkins Holdings Limited to be the ultimate holding company.



**IGI INSURANCE SERVICES LIMITED**  
**NOTES ON THE FINANCIAL STATEMENTS**  
**for the period ending 31 March 1998**

**10. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption in contained in FRS8, Related Party Disclosures, from disclosing transactions with entities that are part of the same group.

**11. CASH FLOW STATEMENT**

No cash flow statement has been prepared as the company is a wholly owned subsidiary of a company incorporated in the England.