

REGISTRAR'S COPY

SMITH BLAMIRE'S LIMITED

**REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
29 FEBRUARY 2000**



REGISTERED NUMBER: 3483640

SMITH BLAMIRE'S LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2000**

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SMITH BLAMIRE'S LIMITED

**COMPANY INFORMATION
AT 29 FEBRUARY 2000**

DIRECTORS

J P Blamires
E H S Blamires
G J Palmer

SECRETARY

R G J Butler

AUDITORS

Simpson Wood
Chartered Accountants
Bank Chambers
Market Street
Huddersfield
HD1 2EW

SMITH BLAMIRE'S LIMITED

DIRECTORS' REPORT

The directors present their annual report with the financial statements of the company for the year ended 29 February 2000.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were insurance and mortgage brokers and consultants, and financial agents.

INTRODUCTION OF THE SINGLE EUROPEAN CURRENCY

The directors do not believe that the company will be adversely affected by the introduction of the Euro.

DIRECTORS AND THEIR INTERESTS

The directors in office in the year and their beneficial interests in the company at the balance sheet date and the beginning of the year (or on appointment if later) were as follows:

| | | Number of Shares | |
|----------------|----------------------------|-------------------------|-------------|
| | | 2000 | 1999 |
| J P Blamires | Ordinary shares of £1 each | 4,999 | 4,999 |
| E H S Blamires | Ordinary shares of £1 each | 1 | 1 |
| G J Palmer | | - | - |

Directors appointed during the year:

G J Palmer 1 March 1999

SMITH BLAMIRE'S LIMITED

DIRECTORS' REPORT

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 the profit or loss of the company 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;
- 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.

YEAR 2000 ISSUES

The directors have assessed year 2000 issues and do not envisage that these will adversely affect the company.

AUDITORS

The auditors, Simpson Wood, will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985.

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board:



R G J Butler
Secretary

Date: 8 June 2000

SMITH BLAMIRE LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the financial statements on pages 5 to 14 which have been prepared under the historical cost convention and on the basis of accounting policies set out on page 8.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described in the directors' report, 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.

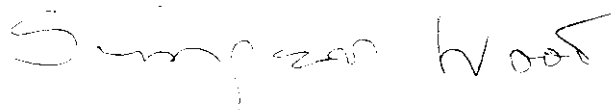
BASIS OF OPINION

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 as to whether 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 affairs of the company as at 29 February 2000 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



**Simpson Wood
Chartered Accountants
Registered Auditors
Bank Chambers
Market Street
Huddersfield
HD1 2EW**

Date: 8 June 2000

SMITH BLAMIRE'S LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 29 FEBRUARY 2000**

| | Notes | 2000 £ | 1999 £ |
|---|-------|-----------|-----------|
| TURNOVER | | 183,547 | 143,233 |
| Cost of sales | | 2,611 | 977 |
| GROSS PROFIT | | 180,936 | 142,256 |
| Administrative expenses | | 172,807 | 147,298 |
| OPERATING PROFIT / (LOSS) | 2 | 8,129 | (5,042) |
| PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION | | 8,129 | (5,042) |
| Tax on profit / (loss) on ordinary activities | 5 | (1,241) | - |
| PROFIT / (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION | | 6,888 | (5,042) |

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years.

Total recognised gains and losses

The company has no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 8 to 14 form part of these financial statements.

SMITH BLAMIRE'S LIMITED**BALANCE SHEET
AT 29 FEBRUARY 2000**

| | Notes | £ | 2000 £ | £ | 1999 £ |
|---|-------|-----------------|-----------------|-----------------|----------------|
| FIXED ASSETS | | | | | |
| Intangible assets | 6 | | 10,183 | | - |
| Tangible assets | 7 | | 5,158 | | 6,006 |
| Investments | 8 | | 10,000 | | - |
| | | | <u>25,341</u> | | <u>6,006</u> |
| CURRENT ASSETS | | | | | |
| Debtors | 9 | 3,921 | | 11,693 | |
| Cash at bank and in hand | | <u>29,119</u> | | <u>33,792</u> | |
| | | 33,040 | | 45,485 | |
| CREDITORS: amounts falling due within one year | | | | | |
| | 10 | <u>(51,535)</u> | | <u>(51,533)</u> | |
| NET CURRENT LIABILITIES | | | <u>(18,495)</u> | | <u>(6,048)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | | | |
| | | | <u>6,846</u> | | <u>(42)</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 11 | | 5,000 | | 5,000 |
| Profit and loss account | 12 | | <u>1,846</u> | | <u>(5,042)</u> |
| TOTAL SHAREHOLDERS' FUNDS | 13 | | <u>6,846</u> | | <u>(42)</u> |

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

Approved by the board of directors on 8 June 2000 and signed on its behalf by:



J P Blamires
Director

The notes on pages 8 to 14 form part of these financial statements.

SMITH BLAMIRE'S LIMITED**CASH FLOW STATEMENT
FOR THE YEAR ENDED 29 FEBRUARY 2000**

| | Notes | 2000 £ | 1999 £ |
|---|-------|-----------|-----------|
| Net cash inflow from operating activities | 2 | 18,357 | 39,477 |
| Capital expenditure | 14 | (13,128) | (10,685) |
| Acquisitions and disposals | 14 | (9,902) | - |
| Cash (outflow) / inflow before use of liquid resources and financing | | (4,673) | 28,792 |
| Financing | 14 | - | 5,000 |
| (DECREASE) / INCREASE IN CASH IN THE YEAR | | (4,673) | 33,792 |

**RECONCILIATION OF NET CASH FLOW TO
MOVEMENT IN NET FUNDS**

15

| | | |
|---|---------|--------|
| (DECREASE) / INCREASE IN CASH IN THE YEAR | (4,673) | 33,792 |
| Change in net funds resulting from cash flows | (4,673) | 33,792 |
| Movement in funds in the year | (4,673) | 33,792 |
| Net funds at 1 March 1999 | 33,792 | - |
| Net funds at 29 February 2000 | 29,119 | 33,792 |

The notes on pages 8 to 14 form part of these financial statements.

SMITH BLAMIRE'S LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2000

1. STATEMENT OF ACCOUNTING POLICIES

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

Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

Depreciation of tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

| | |
|-------------------------------|-----------------------------|
| Office furniture and fittings | 25% to 40% reducing balance |
| Motor vehicles | 25% reducing balance |

Deferred taxation

No provision is made for deferred taxation unless there is a reasonable probability of payment in the foreseeable future.

Pension costs

The company operates a money purchase (defined contribution) pension scheme. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

2. OPERATING PROFIT / (LOSS)

| Operating profit / (loss) is stated | 2000 | 1999 |
|--|-------------|-------------|
| | £ | £ |
| After charging: | | |
| Depreciation of fixed assets | 2,290 | 4,679 |
| Loss on disposal of tangible assets | 1,405 | - |
| Auditors' remuneration | 1,195 | 1,000 |

SMITH BLAMIRE'S LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2000****2. OPERATING PROFIT / (LOSS) - (continued)****Reconciliation of operating profit to
net cash inflow from operating activities**

| | 2000 | 1999 |
|--|---------------|---------------|
| | £ | £ |
| Operating profit / (loss) | 8,130 | (5,043) |
| Depreciation | 2,290 | 4,679 |
| Loss on disposal of fixed assets | 1,405 | - |
| Decrease / (increase) in debtors | 7,772 | (11,693) |
| (Decrease) / increase in creditors | (1,240) | 51,534 |
| Net cash inflow from operating activities | 18,357 | 39,477 |

3. INFORMATION ON DIRECTORS AND EMPLOYEES

| | 2000 | 1999 |
|---|---------------|---------------|
| | £ | £ |
| Directors' emoluments | | |
| Emoluments, including pension contributions to money purchase (defined contribution) schemes | <u>74,521</u> | <u>39,651</u> |

4. PENSION COSTS**Money purchase (defined contribution) pension scheme**

The company operates a money purchase (defined contribution) pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £10,966 (1999: £3,961).

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

| | 2000 | 1999 |
|--|--------------|-------------|
| | £ | £ |
| The taxation charge comprises: | | |
| Corporation tax at 20.083% (1999 - Nil%) | <u>1,241</u> | <u>-</u> |

SMITH BLAMIRE'S LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2000****6. INTANGIBLE FIXED ASSETS**

| | Goodwill £ |
|------------------------|-----------------------|
| Cost: | |
| Additions | 10,183 |
| Net book value: | |
| At 29 February 2000 | 10,183 |
| At 28 February 1999 | - |

7. TANGIBLE FIXED ASSETS

| | Fixtures and fittings £ | Motor vehicles £ | Total £ |
|------------------------|--|---------------------------------|--------------------|
| Cost: | | | |
| At 1 March 1999 | 8,810 | 1,875 | 10,685 |
| Additions | 2,848 | - | 2,848 |
| Disposals | - | (1,875) | (1,875) |
| At 29 February 2000 | 11,658 | - | 11,658 |
| Depreciation: | | | |
| At 1 March 1999 | 4,210 | 469 | 4,679 |
| Charge for year | 2,290 | - | 2,290 |
| On disposals | - | (469) | (469) |
| At 29 February 2000 | 6,500 | - | 6,500 |
| Net book value: | | | |
| At 29 February 2000 | 5,158 | - | 5,158 |
| At 28 February 1999 | 4,600 | 1,406 | 6,006 |

SMITH BLAMIRE'S LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2000****8. INVESTMENTS****Cost or valuation**

| | Additions | At 29 February 2000 £ |
|--------------------|------------------|--|
| Shares: | | |
| Group undertakings | 9,902 | 9,902 |
| Loans: | | |
| Group undertakings | 98 | 98 |
| | <u>10,000</u> | <u>10,000</u> |

| | At 29 February 2000 £ | At 1 March 1999 £ |
|-----------------------|--|----------------------------------|
| Net book value | | |
| Shares: | | |
| Group undertakings | 9,902 | - |
| Loans | | |
| Group undertakings | 98 | - |
| | <u>10,000</u> | <u>-</u> |

At 29 February 2000 the company held 100% of the issued ordinary share capital of Smith Blamires (Financial Services) Limited, which is incorporated in England.

9. DEBTORS

| | 2000 £ | 1999 £ |
|---------------|-------------------|-------------------|
| Other debtors | <u>3,921</u> | <u>11,693</u> |

Included in other debtors was a director's loan account of £21 (1999 - £nil) owing from G J Palmer.

SMITH BLAMIRE'S LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2000**

10. CREDITORS: amounts falling due within one year

| | 2000 | 1999 |
|------------------------------|---------------|---------------|
| | £ | £ |
| Taxation and social security | 4,127 | 3,193 |
| Other creditors | 47,408 | 48,340 |
| | <u>51,535</u> | <u>51,533</u> |

11. SHARE CAPITAL

| | 2000 | 1999 |
|--|--------------|--------------|
| | £ | £ |
| Allotted, called up and fully paid: | | |
| Equity interests: | | |
| 5,000 Ordinary shares of £1 each | <u>5,000</u> | <u>5,000</u> |

12. PROFIT AND LOSS ACCOUNT

| | 2000 | 1999 |
|---|--------------|----------------|
| | £ | £ |
| (Accumulated loss) / Retained profit as at 1 March 1999 | (5,042) | - |
| Profit / (loss) for the year | <u>6,888</u> | <u>(5,042)</u> |
| Retained profit / (Accumulated loss) as at 29 February 2000 | <u>1,846</u> | <u>(5,042)</u> |

SMITH BLAMIRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2000****13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

| | 2000 | 1999 |
|--|-------------|-------------|
| | £ | £ |
| Profit / (loss) for the year | 6,888 | (5,042) |
| New share capital subscribed | - | 5,000 |
| Net addition / (reduction) to shareholders' funds | 6,888 | (42) |
| Opening shareholders' funds | (42) | - |
| Closing shareholders' funds | 6,846 | (42) |
| Represented by:- | | |
| Equity interests | 6,846 | (42) |

14. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

| | 2000 | 1999 |
|---|-------------|-------------|
| | £ | £ |
| Returns on investments and servicing of finance | | |
| Capital expenditure | | |
| Purchase of intangible fixed assets | (10,183) | - |
| Purchase of tangible fixed assets | (2,848) | (10,685) |
| Loans made (other than cash equivalents) | (98) | - |
| Receipts from sale of tangible fixed assets | 1 | - |
| Net cash outflow from capital expenditure | (13,128) | (10,685) |
| Acquisitions and disposals | | |
| Purchase of subsidiary undertakings | (9,902) | - |
| Net cash outflow from acquisitions and disposals | (9,902) | - |

SMITH BLAMIRES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2000

14. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT - (continued)

| | 2000 | 1999 |
|---|-------------|-------------|
| | £ | £ |
| Financing | | |
| Issue of ordinary share capital | - | 5,000 |
| Net cash (outflow) / inflow from financing | - | 5,000 |

15. ANALYSIS OF CHANGES IN NET FUNDS

| | 1999 | Cash flow | 2000 |
|--------------------------|-------------|------------------|-------------|
| | £ | £ | £ |
| Cash at bank and in hand | 33,792 | (4,673) | 29,119 |

16. RELATED PARTY DISCLOSURES

Details of the control of the company are provided in the directors' report.

At the balance sheet date an amount was due from Smith Blamires (Financial Services) Limited, a subsidiary undertaking of the company, of £98 (1999 - £nil).