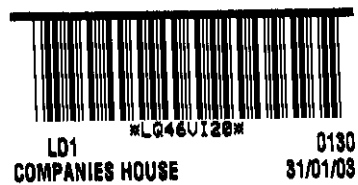


INSURANCE MANAGEMENT SOLUTIONS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002

Company No. 3694119



INSURANCE MANAGEMENT SOLUTIONS LIMITED

REPORT OF THE DIRECTORS

The director has pleasure in presenting their report and financial statements for the year ended 31 March 2002.

PRINCIPAL ACTIVITY

The principal activity of the company throughout the period was that of insurance services.

DIRECTOR AND HIS INTERESTS

The director who served the company throughout the year together with his interests (including family interests) in the shares of the company, at the beginning and end of the year, were as follows:

	31 March 2002	31 March 2001
R C H Flaxman	50	50
A. R. Pardoe	50	-

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the director 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 of the company for that period.

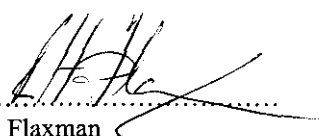
In preparing those financial statements, the director is required to select suitable accounting policies and then apply them, consequently, make judgements and estimates that are reasonable and prudent and prepare the financial statements on a going concern basis unless it is inappropriate to assume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. He is 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.

SMALL COMPANY RULES

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

By Order of the Board


.....
R C H Flaxman
Secretary

Southampton House
317 High Holborn
London
WC1V 7NL

30 January 2003

INSURANCE MANAGEMENT SOLUTIONS LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2002**

	Notes	Year ended 31 March 2002 £	Year ended 31 March 2001 £
TURNOVER	1	238,838	279,723
Administrative expenses		(273,936)	(174,280)
Sundry income		85	740
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(35,013)	106,183
Taxation		7,000	(21,000)
(LOSS)/PROFIT FOR THE YEAR AFTER TAXATION		(28,013)	85,183
Dividends paid		-	(87,900)
RETAINED (LOSS)/PROFIT FOR YEAR		(28,013)	(2,717)
RETAINED PROFIT BROUGHT FORWARD		609	3,326
RETAINED (LOSS)/PROFIT CARRIED FORWARD		<u>£(27,404)</u>	<u>£609</u>

INSURANCE MANAGEMENT SOLUTIONS LIMITED

BALANCE SHEET

AT 31 MARCH 2002

	Note	£	2002	£	£	2001	£
FIXED ASSETS							
Tangible Assets	3			8,681			11,403
CURRENT ASSETS							
Debtors	4	39,033			72,558		
Cash at bank and in hand		49,224			652		
		<u>88,257</u>			<u>73,210</u>		
CREDITORS: Amounts falling due within one year	5	(81,242)			(83,904)		
Net Current (liabilities)/assets				7,015			(10,694)
CREDITORS: Amounts falling due after one year	6			(18,000)			
Net (liabilities) Assets				<u>£(2,304)</u>			<u>£709</u>
Represented by:							
Share capital	7			150			100
Share premium	8			24,950			-
Profit and loss account				(27,404)			-
				<u>£(2,304)</u>			<u>£709</u>

These accounts have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

The director confirms that:

- the company was entitled for the year ended 31st March 2001 to audit exemption under subsection (1) of section 249A of Companies Act 1985;
- no notice requiring an audit had been deposited under subsection (2) of S249B in relation to the financial statements for the financial period; and

The directors acknowledge their responsibility for:

- ensuring that the company keeps accounting records which comply with Section 221; and
- preparing financial statements which give true and fair view of the state of the affairs of the company at the end of the financial year and of its profit or loss for the 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.

The accounts were approved on 30 January 2003.


R C H Flaxman

INSURANCE MANAGEMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2002

1. ACCOUNTING POLICIES

Accounting basis and standards

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities.

Depreciation

Depreciation is calculated at rates estimated to write off each asset over its estimated life. The estimated lives are considered to be four years.

Turnover

Turnover represents the invoiced value of services provided net of value added tax.

2. PROFIT ON ORDINARY ACTIVITIES

	2002 £	2001 £
Profit on ordinary activities is stated after charging:		
Depreciation	2,985	77
Directors' remuneration	25,692	4,900

3. TANGIBLE FIXED ASSETS

	Equipment and Furniture £
COST	
At 1 April 2001	11,513
Additions in year	263
At 31 March 2002	11,776
DEPRECIATION	
At 1 April 2001	110
Charge for the year	2,985
As at 31 March 2001	3,095
Net Book Value	
At 31 March 2002	£8,681
At 31 March 2001	£11,403

INSURANCE MANAGEMENT SOLUTIONS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31 MARCH 2002****4. DEBTORS**

	2002 £	2001 £
Trade debtors	33,990	33,906
Other debtors	5,043	1,393
	<u>£39,033</u>	<u>£72,558</u>

5. CREDITORS: Amounts falling due within one year

	2002 £	2001 £
Bank overdraft	-	10,412
Trade creditors	8,849	17,389
Corporation tax	14,012	21,012
Other taxation and social security	-	7,357
Other creditors and accruals	58,381	27,734
	<u>£81,242</u>	<u>£83,904</u>

6. CREDITORS: Amounts falling due after more than one year

	2002 £	2001 £
Loans	<u>£18,000</u>	<u>£ -</u>

7. SHARE CAPITAL

	2002 £	2001 £
Authorised: 100 ordinary shares of £1 each	<u>150</u>	<u>100</u>
Allotted, called up and fully paid: 150 shares	<u>150</u>	<u>100</u>

8. SHARE PREMIUM

On 8th November 2001, 50 ordinary shares of £1 each were issued for £25,000.

9. CONTROL

The company is controlled by Mr R. Flaxman by virtue of his ownership (with family interests) of 67% of the issued share capital.

10. CAPITAL COMMITMENTS

At 31 March 2002, there were no capital commitments.

INSURANCE MANAGEMENT SOLUTIONS LIMITED

DETAILED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2002

	2002 £	2001 £
TURNOVER	238,838	279,723
Administrative Expenses		
Salaries and Employers NI	81,279	42,616
Consultancy fees	103,766	21,230
Medical Insurance	3,322	2,273
Rent, Rates and Property expenses	33,375	38,700
Insurance	8,066	2,429
Entertaining	7,506	4,644
Travel and subsistence	4,835	8,164
Computer expenses	7,956	4,589
Printing, postage and stationery	4,529	2,962
Legal and professional	7,719	35,967
Subscriptions	306	1,391
Recruitment costs	1,000	3,250
Sundry expenses	1,939	492
Depreciation	2,985	77
Bank charges	442	776
Interest	86	15
Telephone	2,454	558
Gifts	-	165
Advertising	-	969
Charity donations	500	500
Couriers	-	441
Equipment hire	(20)	-
Training	1,891	-
	(273,936)	174,280
Other Income		
Interest receivable	85	657
Other income	-	83
	85	740
Net (loss)/profit before taxation	£(35,013)	£106,183