

3842603

**REGISTRAR OF  
COMPANIES**

**Punter Southall & Co Limited**

Report and Financial Statements

Period Ended

30 April 2000



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**BDO**  
BDO Stoy Hayward  
Chartered Accountants

# **PUNTER SOUTHALL & CO LIMITED**

**Report and financial statements for the period ended 30 April 2000**

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Directors

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## **Directors**

M Batheja  
E Battams  
S M Southall  
D O Cule  
J D Punter

## **Secretary and registered office**

P N Aves, 126 Jermyn Street, London, SW1Y 4UJ.

## **Company number**

3842603

## **Auditors**

BDO Stoy Hayward, 8 Baker Street, London, W1M 1DA.

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## **PUNTER SOUTHALL & CO LIMITED**

### **Report of the directors for the period ended 30 April 2000**

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The directors present their report together with the audited financial statements for the period ended 30 April 2000. The company was incorporated on 16 September 1999.

#### **Results and dividends**

The profit and loss account is set out on page 4 and shows the profit for the period.

The directors do not recommend the payment of a dividend.

#### **Principal activities, trading review and future developments**

The principal activity is that of consulting actuaries. The company commenced trading on 1 November 1999 when it acquired the trade, fixed assets and goodwill of the Punter Southall & Co partnership.

The company has traded satisfactorily during the period. No change in activities is envisaged in the ensuing year.

#### **Charitable donations**

During the period the company made charitable contributions of £2,113.

#### **Directors**

The directors of the company during the period were:

Hallmark Registrars Limited	(appointed and resigned 16 September 1999)
M Batheja	(appointed 16 September 1999)
E Battams	(appointed 16 September 1999)
J D Punter	(appointed 10 February 2000)
S M Southall	(appointed 10 February 2000)
D O Cule	(appointed 10 February 2000)

None of the directors held any interest in the share capital of the company, nor were they granted any right to subscribe for shares.

All of the directors held shares in the ultimate parent company, PSigma Group Limited and these are disclosed in the financial statements of that company.

## PUNTER SOUTHALL & CO LIMITED

### Report of the directors for the period ended 30 April 2000 (*Continued*)

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#### Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; 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 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.

#### Auditors

BDO Stoy Hayward, who were appointed as first auditors of the company by the directors, have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

#### By order of the Board

P N Aves

  
S. D. PUNTER

Secretary DIRECTOR

Date 24<sup>th</sup> NOVEMBER 2000

# **PUNTER SOUTHALL & CO LIMITED**

## **Report of the auditors**

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### **To the shareholders of Punter Southall & Co Limited**

We have audited the financial statements on pages 4 to 13 which have been prepared under the accounting policies set out on page 7.

#### *Respective responsibilities of directors and auditors*

As described on page 2 the company's directors are responsible for the preparation of the 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*

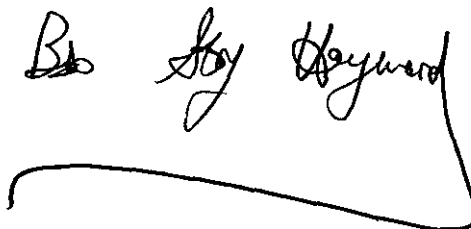
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 30 April 2000 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

**BDO STOY HAYWARD**  
*Chartered Accountants  
and Registered Auditors*  
London

A handwritten signature in black ink, appearing to read 'B. Stoy Hayward', with a long horizontal line extending from the bottom of the signature.

24 November 2000

**PUNTER SOUTHALL & CO LIMITED**

**Profit and loss account for the period ended 30 April 2000**

	Note	£
<b>Turnover</b>	2	4,584,888
Cost of sales		2,840,506
		<hr/>
<b>Gross profit</b>		1,744,382
Administrative expenses		1,183,460
		<hr/>
		560,922
Other operating income		15,769
		<hr/>
<b>Operating profit</b>		576,691
Interest payable	3	(46,429)
		<hr/>
<b>Profit on ordinary activities before taxation</b>	5	530,262
Taxation on profit from ordinary activities	6	(216,314)
		<hr/>
<b>Profit on ordinary activities after taxation and retained for the period</b>	16	313,948
		<hr/> <hr/>

All amounts relate to activities acquired in the period.

All recognised gains and losses are included in the profit and loss account.

The notes on pages 7 to 13 form part of these financial statements.

**PUNTER SOUTHALL & CO LIMITED**

**Reconciliation of movements in shareholders' funds for the period ended 30 April 2000**

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	Note	£
Profit for the period		313,948
New share capital subscribed	15	302,000
		<hr/>
<b>Shareholders' funds at 30 April 2000</b>		<b>615,948</b>
		<hr/> <hr/>

The notes on pages 7 to 13 form part of these financial statements.

# PUNTER SOUTHALL & CO LIMITED

## Balance sheet at 30 April 2000

	Note	£	£
<b>Fixed assets</b>			
Intangible assets	7		(511,846)
Tangible assets	8		770,684
Investments	9		2
			<hr/>
			258,840
<b>Current assets</b>			
Stocks	11	650,622	
Debtors	12	3,748,251	
Cash at bank and in hand		579	
		<hr/>	
		4,399,452	
<b>Creditors: amounts falling due within one year</b>	13	4,042,344	
		<hr/>	
<b>Net current assets</b>			357,108
			<hr/>
<b>Net assets</b>			615,948
			<hr/> <hr/>
<b>Capital and reserves</b>			
Called up share capital	15		100,000
Share premium account	16		202,000
Profit and loss account	16		313,948
			<hr/>
<b>Shareholders' funds - equity</b>			615,948
			<hr/> <hr/>

The financial statements were approved by the Board on 24 NOVEMBER 2000

J D Punter

)   
) **Directors**  
) 

S M Southall

The notes on pages 7 to 13 form part of these financial statements.



# PUNTER SOUTHALL & CO LIMITED

Notes forming part of the financial statements for the period ended 30 April 2000

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## 1 Accounting policies

The financial statements have been prepared under the historical cost convention as modified for fair value adjustments and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

### *Turnover*

Turnover represents sales to outside customers at invoiced amounts less value added tax.

### *Depreciation*

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets, over their expected useful lives. It is calculated at the following rates:

Leasehold property	- 25% straight line
Plant, machinery and motor vehicles	- 25% straight line
Fixtures, fittings and equipment	- 25% straight line

### *Stocks*

Stocks are valued at the lower of cost and net realisable value. Work in progress is valued at the cost of labour, together with attributable overheads based on normal levels of activity.

Net realisable value is based on estimated selling price less further costs to completion.

### *Deferred taxation*

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes, except that no provision is made where it can be reasonably foreseen that such deferred taxation will not be payable in the future.

### *Goodwill*

Purchased goodwill is capitalised and subject to impairment review and amortisation over its expected useful economic life.

Goodwill arising on an acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. It is capitalised and amortised through the profit and loss account over the directors' estimated of its useful economic life. Impairment tests on the carrying value of goodwill are undertaken:

- at the end of the first full financial year following acquisition;
- in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

### *Operating leases*

Rentals paid under operating leases are charged to the profit and loss account over the term of the lease.

# **PUNTER SOUTHALL & CO LIMITED**

Notes forming part of the financial statements for the period ended 30 April 2000 (*Continued*)

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## **2 Turnover**

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

## **3 Interest payable**

	£
Bank loans and overdrafts	12,256
Other interest (see note 17)	34,173
	<hr/>
	46,429
	<hr/>

## **4 Employees and directors**

The company has no employees apart from the directors. All staff are employed by a subsidiary company, Bonneysave Limited.

## **5 Profit on ordinary activities before taxation**

This is arrived at after charging:

Amortisation - purchased goodwill	202,000
- negative goodwill	(136,284)
Depreciation	151,274
Auditors' remuneration	10,000
Rentals under operating leases – land and buildings	142,136
	<hr/>

## **6 Taxation on profits from ordinary activities**

	£
UK corporation tax	216,314
	<hr/>

**PUNTER SOUTHALL & CO LIMITED**

Notes forming part of the financial statements for the period ended 30 April 2000 (*Continued*)

**7 Intangible fixed assets**

	Negative goodwill £	Purchased goodwill £	Total £
<i>Cost</i>			
Additions and at 30 April 2000 (see note 10)	(648,130)	202,000	(446,130)
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Amortisation</i>			
Provision for period	(136,284)	202,000	65,716
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Net book value</i>			
At 30 April 2000	511,846	-	511,846
	<u>          </u>	<u>          </u>	<u>          </u>

**8 Tangible assets**

	Leasehold land and buildings £	Plant and machinery £	Fixtures, fittings and equipment £	Total £
<i>Cost</i>				
Additions and at end of period	194,702	480,020	247,236	921,958
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<i>Depreciation</i>				
Provided for in the period and at end of period	14,887	58,865	77,522	151,274
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<i>Net book value</i>				
At 30 April 2000	179,815	421,155	169,714	770,684
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

## PUNTER SOUTHALL & CO LIMITED

Notes forming part of the financial statements for the period ended 30 April 2000 (*Continued*)

### 9 Investments

Shares in group  
undertakings  
£

Additions and at end of period	2
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The company acquired the entire issued share capital of Bonneysave Limited on 1 November 1999. Bonneysave Limited is incorporated in the United Kingdom and its principal activity is to provide management and administration services to Punter Southall & Co Limited.

The company is exempt from the obligation to prepare group financial statements as it is itself a subsidiary undertaking and its immediate parent company is established under EC Law and prepares group financial statements.

### 10 Acquisition of Bonneysave, fair value adjustment and goodwill

The company acquired on 1 November 1999, by way of gift, fixed assets from the Punter Southall & Co partnership. These assets had a net book value to the partnership of £648,130 and the directors consider this to be the fair value of the assets to the company.

The company's financial statements incorporate the fixed assets at their fair value gives rise to the recognition of negative goodwill of £648,130 which is amortised in accordance with the company's accounting policy on goodwill.

In addition, the company paid £202,000 to a partner for goodwill.

### 11 Stocks

£

Work in progress	650,622
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### 12 Debtors

£

Trade debtors	3,451,684
Amounts due from group undertakings	28,458
Prepayments and accrued income	268,109
	<u>3,748,251</u>

All amounts shown under debtors fall due for payment within one year.

**PUNTER SOUTHALL & CO LIMITED**Notes forming part of the financial statements for the period ended 30 April 2000 *(Continued)*

13 Creditors: amounts falling due within one year	£
Bank overdraft	896,576
Trade creditors	232,536
Other creditors	1,796,169
Creditors for taxation and social security	331,054
Amounts due to parent undertaking	146,178
Corporation tax	216,314
Accruals	423,517
	<hr/>
	4,042,344
	<hr/>

Bank overdrafts are secured by a fixed and floating charge over the assets of the company.

**14 Provisions for liabilities and charges****Deferred taxation**

Accelerated capital allowances

Unprovided £
(63,014)
<hr/>

**15 Share capital**

	Authorised Number	Allotted, called up and fully paid Number
10,000,000 ordinary shares of 1p each	10,000,000	10,000,000
	<hr/>	<hr/>
	£	£
10,000,000 ordinary shares of 1p each	100,000	100,000
	<hr/>	<hr/>

The ordinary shares were issued on 1 November 1999 for a cash consideration of £302,000.

## PUNTER SOUTHALL & CO LIMITED

Notes forming part of the financial statements for the period ended 30 April 2000 (*Continued*)

### 16 Reserves

	Share premium account £	Profit and loss account £
Profit for period	-	313,948
Premium on issue of shares	202,000	-
Unrealised gain on fair value adjustment	-	-
	<hr/>	<hr/>
At 30 April 2000	<b>202,000</b>	<b>313,948</b>
	<hr/>	<hr/>

### 17 Related party transactions

During the period, the company entered into the following arrangements in which directors had an interest:

- i) The company acquired the entire issued share capital of Bonneysave Limited for £2 on 1 November 1999. This company was owned in equal shares by J D Punter and S M Southall, directors of both Punter Southall & Co Limited and its parent company, PSigma Group Limited.
- ii) The company acquired the trade and fixed assets of a partnership in which all directors were partners. The trade and fixed assets were gifted to the company.

The company also paid £202,000 to a partner for goodwill.

- iii) Included within creditors due within one year is £1,796,169 owed to the partnership.
- iv) Interest of £34,173 is payable on the amount due to the partnership.

The company has taken advantage of the exemption available under Financial Reporting Standard 8, 'Related party transactions', not to disclose any transactions with entities included in the consolidated financial statements of its parent company.

### 18 Ultimate parent company

At 30 April 2000, the company's ultimate parent company was PSigma Group Limited, which is the parent of both the smallest and largest groups of which the company is a member.

Copies of the consolidated financial statements of PSigma Group Limited, are available from Companies House.

## **PUNTER SOUTHALL & CO LIMITED**

**Notes forming part of the financial statements for the period ended 30 April 2000 (*Continued*)**

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### **19 Commitments under operating leases**

As at 30 April 2000, the company had annual commitments under non-cancellable operating leases as set out below:

	<b>Land and buildings £</b>
Operating leases which expire:	
Over five years	<b>616,758</b>
	<u><u>          </u></u>

### **20 Cash flow statement**

The company has used the exemption under Financial Reporting Standard 1, 'Cash Flow Statements', not to prepare a cash flow statement as it is consolidated in the financial statements of its ultimate parent company.