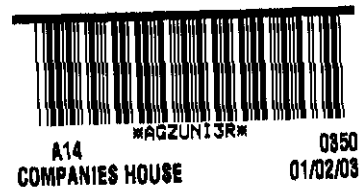


Plan Invest Limited

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

30 September 2002



Company Registration No. 3883952

Plan Invest Limited

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Plan Invest Limited

DIRECTORS AND OFFICERS

DIRECTORS

MS Owen
MJ Mitchell

SECRETARY

KJ Kay

REGISTERED OFFICE

Plan Invest House
9 King Edward Street
Macclesfield
Cheshire
SK10 1AQ

AUDITORS

Baker Tilly
Chartered Accountants
Festival Way
Stoke-on-Trent
Staffordshire
ST1 5BB

Plan Invest Limited

DIRECTORS' REPORT

The directors submit their report and the group financial statements of Plan Invest Limited for the year ended 30 September 2002.

PRINCIPAL ACTIVITIES

The group's principal activities during the year were those of personal financial planning, advising on investments, life assurance and pension broking.

RESULTS AND DIVIDENDS

The group trading profit for the year, after taxation and minority interests, was £126,312 (2001: £141,752).

The directors recommend a final dividend on the ordinary shares of £47,173 (2001: £36,000).

REVIEW OF THE BUSINESS

The group has enjoyed a satisfactory year's trading. The results for the year are set out in the profit and loss account.

MARKET VALUE OF LAND AND BUILDINGS

The directors are of the opinion that the market value of property at 30 September 2002 would significantly exceed the net book value included in the financial statements, but they are unable to quantify this excess in the absence of a professional valuation, the costs of which are not considered justifiable in view of the group's intention to retain ownership of its existing property for use in its business for the foreseeable future.

DIRECTORS

The following directors have held office since 1 October 2001:

MS Owen
MJ Mitchell

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

Directors' interests in the shares of the company, including family interests, were as follows:

| Company | | Class of share | Interest at start and end of year |
|-------------|---------------------|-----------------------|---|
| | | | Number |
| MS Owen | Plan Invest Limited | B Ordinary of £1 each | 4,334 |
| MJ Mitchell | Plan Invest Limited | A Ordinary of £1 each | 3,222 |

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company or any other group company were granted to any of the directors or their immediate families, or exercised by them during the financial year.

Plan Invest Limited

DIRECTORS' REPORT

INTRODUCTION OF THE EURO

The company does not trade in European currencies and accordingly the impact of the introduction of the Single Currency in Europe will have no immediate effect. The collective investments which the company deal with may well invest in Europe but presently are denominated in sterling.

AUDITORS

Our auditors, KPMG LLP, resigned on 31 October 2002 and the directors thereupon appointed Baker Tilly to fill the vacancy arising. A resolution to reappoint Baker Tilly, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

By order of the board



MJ Mitchell
Director

Plan Invest House
9 King Edward Street
Macclesfield
Cheshire
SK10 1AQ

29 January 2003

Plan Invest Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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 the group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. 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 requirements of the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PLAN INVEST LIMITED

We have audited the financial statements on pages 7 to 26.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company and other members of the group is not disclosed.

We read the other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

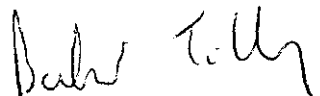
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PLAN INVEST
LIMITED (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group at 30 September 2002 and of the group profit for the year then ended and the financial statements have been properly prepared in accordance with the Companies Act 1985.



BAKER TILLY
Registered Auditor
Chartered Accountants
Festival Way
Stoke-on-Trent
Staffordshire
ST1 5BB

30 January 2003

Plan Invest Limited

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended 30 September 2002

| | Note | 2002 £ | 2001 £ |
|--|------|-------------|-------------|
| GROUP TURNOVER – CONTINUING OPERATIONS | | 1,267,971 | 1,301,730 |
| Administrative expenses | | (1,110,868) | (1,159,061) |
| Other operating income | 1 | 2,128 | 8,405 |
| | | <hr/> | <hr/> |
| GROUP OPERATING PROFIT – CONTINUING OPERATIONS | | 159,231 | 151,074 |
| Profit on sale of fixed asset investments | | - | 35,500 |
| Income from other fixed asset investments | 2 | 9 | 36 |
| Other interest receivable | 3 | 15,378 | 12,919 |
| Amounts written off investments | | (3,922) | (13,081) |
| Interest payable and similar charges | 4 | (433) | (1,476) |
| | | <hr/> | <hr/> |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | 5 | 170,263 | 184,972 |
| Tax on profit on ordinary activities | 7 | (43,951) | (43,220) |
| | | <hr/> | <hr/> |
| PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION | | 126,312 | 141,752 |
| Dividends | 8 | (47,173) | (36,000) |
| | | <hr/> | <hr/> |
| RETAINED PROFIT FOR THE FINANCIAL YEAR | | 79,139 | 105,752 |
| | | <hr/> | <hr/> |

No separate statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

Plan Invest Limited
CONSOLIDATED BALANCE SHEET
30 September 2002

| | Note | 2002 | 2001 |
|--|------|----------------|----------------|
| | | £ | £ |
| FIXED ASSETS | | | |
| Intangible assets | 10 | 40,485 | 42,734 |
| Tangible assets | 11 | 339,410 | 344,440 |
| | | <u>379,895</u> | <u>387,174</u> |
| CURRENT ASSETS | | | |
| Debtors | 13 | 118,339 | 131,636 |
| Investments | 14 | 12,953 | 16,875 |
| Cash at bank and in hand | | 539,415 | 485,423 |
| | | <u>670,707</u> | <u>633,934</u> |
| CREDITORS: Amounts falling due within one year | 15 | (387,825) | (380,095) |
| NET CURRENT ASSETS | | <u>282,882</u> | <u>253,839</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>662,777</u> | <u>641,013</u> |
| CREDITORS: Amounts falling due after one year | 16 | - | (80,035) |
| PROVISIONS FOR LIABILITIES AND CHARGES | 17 | (22,660) | - |
| NET ASSETS | | <u>640,117</u> | <u>560,978</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 18 | 9,086 | 9,086 |
| Share premium account | 19 | 446,140 | 446,140 |
| Profit and loss account | 20 | 184,891 | 105,752 |
| EQUITY SHAREHOLDERS' FUNDS | | <u>640,117</u> | <u>560,978</u> |

Approved by the board on 29 January 2003

MS Owen
Director



MJ Mitchell
Director



Plan Invest Limited

BALANCE SHEET

30 September 2002

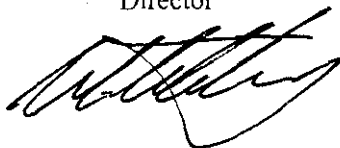
| | Note | 2002 | | 2001 | |
|--|------|------------------|-----------------------|-----------------|-----------------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Investments | 12 | | 721,036 | | 721,036 |
| CURRENT ASSETS | | | | | |
| Debtors | 13 | 81,330 | | - | |
| Cash at bank and in hand | | - | | 54,330 | |
| | | <u>81,330</u> | | <u>54,330</u> | |
| CREDITORS: Amounts falling due within one year | 15 | <u>(107,035)</u> | | <u>(80,035)</u> | |
| NET CURRENT LIABILITIES | | | <u>(25,705)</u> | | <u>(25,705)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 695,331 | | 695,331 |
| CREDITORS: Amounts falling due after more than one year | 16 | | <u>-</u> | | <u>(80,035)</u> |
| NET ASSETS | | | <u>695,331</u> | | <u>615,296</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 18 | | 9,086 | | 9,086 |
| Share premium account | 19 | | 446,140 | | 446,140 |
| Profit and loss account | 20 | | 240,105 | | 160,070 |
| EQUITY SHAREHOLDERS' FUNDS | | | <u>695,331</u> | | <u>615,296</u> |

Approved by the board on 29 January 2003

MS Owen
Director



MJ Mitchell
Director



Plan Invest Limited

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 30 September 2002

| | Note | 2002 | 2001 |
|---|------|-----------------|-----------------|
| | | £ | £ |
| CASH FLOW FROM OPERATING ACTIVITIES | 21 | 133,541 | 159,900 |
| RETURNS ON INVESTMENTS AND SERVICING OF FINANCE | | | |
| Interest received | | 15,387 | 12,955 |
| Interest paid | | (433) | (1,476) |
| | | <u>14,954</u> | <u>11,479</u> |
| NET CASH INFLOW FOR RETURNS ON INVESTMENTS AND SERVICING OF FINANCE | | 14,954 | 11,479 |
| TAXATION | | (46,596) | (134) |
| CAPITAL EXPENDITURE | | | |
| Purchase of tangible fixed assets | | (21,508) | (25,060) |
| | | <u>(21,508)</u> | <u>(25,060)</u> |
| NET CASH OUTFLOW FOR CAPITAL EXPENDITURE | | (21,508) | (25,060) |
| ACQUISITIONS AND DISPOSALS | | | |
| Purchase of subsidiary undertakings | | - | (160,070) |
| Cash acquired with subsidiary undertakings | | - | 525,306 |
| | | <u>-</u> | <u>365,236</u> |
| NET CASH INFLOW FOR ACQUISITIONS AND DISPOSALS | | - | 365,236 |
| EQUITY DIVIDENDS PAID | | (20,173) | (36,000) |
| | | <u>(20,173)</u> | <u>(36,000)</u> |
| INCREASE IN CASH IN THE YEAR | 23 | <u>60,218</u> | <u>475,421</u> |

Plan Invest Limited

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS for the year ended 30 September 2002

| | Group | | Company | |
|-------------------------------------|----------|----------|----------|----------|
| | 2002 | 2001 | 2002 | 2001 |
| | £ | £ | £ | £ |
| PROFIT FOR THE FINANCIAL YEAR | 126,312 | 141,752 | 127,208 | 196,070 |
| Dividends | (47,173) | (36,000) | (47,173) | (36,000) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 79,139 | 105,752 | 80,035 | 160,070 |
| New share capital subscribed | - | 455,224 | - | 455,224 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| NET ADDITION TO SHAREHOLDERS' FUNDS | 79,139 | 560,976 | 80,035 | 615,294 |
| Opening shareholders' funds | 560,978 | 2 | 615,296 | 2 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| CLOSING SHAREHOLDERS' FUNDS | 640,117 | 560,978 | 695,331 | 615,296 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

Plan Invest Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The company has adopted Financial Reporting Standard 18 'Accounting Policies' and Financial Reporting Standard 19 'Deferred Taxation' in these financial statements.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate those of Plan Invest Limited and all of its subsidiary undertakings for the year. All financial statements are made up to 30 September 2002.

As permitted by Section 230(4) of the Companies Act 1985, the company has not presented its own profit and loss account.

TANGIBLE FIXED ASSETS

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

| | |
|---|---------------|
| Freehold buildings | 2% per annum |
| Fixtures, fittings and office equipment | 20% per annum |

FOREIGN CURRENCIES

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

LEASED ASSETS AND OBLIGATIONS

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to profit and loss on a straight line basis over the lease term.

RETIREMENT BENEFITS

The company operates a defined contribution scheme. The amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Plan Invest Limited

ACCOUNTING POLICIES

TURNOVER

Turnover represents gross commissions receivable from all insurance brokerage earned in the year. Initial commission on life and pension contracts is taken in the period in which the proposal is accepted by the insurance company. Subsequently, renewal commission is taken into the period in which the renewal date falls.

Commission on indemnity terms is recognised only when all necessary premiums have been paid over to the insurance company, the balance being shown as deferred income within creditors.

Commission relating to investment services is taken in the period the related investment is made. Fees are recognised on an accruals basis.

Plan Invest Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2002

| | | | |
|---|---|-----------|-----------|
| 1 | OTHER OPERATING INCOME | 2002 £ | 2001 £ |
| | Bank interest receivable in accordance with investment management agreements on clients' monies held pending investment | 2,128 | 8,405 |
| 2 | INCOME FROM OTHER FIXED ASSET INVESTMENTS | 2002 £ | 2001 £ |
| | Income from investments in unit trusts | 9 | 36 |
| 3 | OTHER INTEREST RECEIVABLE | 2002 £ | 2001 £ |
| | Bank interest receivable on investment of group monies | 15,378 | 12,919 |
| 4 | INTEREST PAYABLE AND SIMILAR CHARGES | 2002 £ | 2001 £ |
| | On bank loans and overdrafts | 433 | 1,476 |

Plan Invest Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2002

| | | | |
|---|---|-----------|-----------|
| 5 | PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | 2002 £ | 2001 £ |
|---|---|-----------|-----------|

Profit on ordinary activities before taxation is stated after charging:

Depreciation and amounts written off tangible fixed assets:

| | | |
|--------------------------|--------|--------|
| Charge for the year | | |
| owned assets | 26,538 | 25,904 |
| Amortisation of goodwill | 2,249 | 2,249 |
| Operating lease rentals: | | |
| Plant and machinery | 55,805 | 51,628 |
| Auditors' remuneration: | | |
| Audit | 15,285 | 12,450 |
| Other services | 1,300 | 4,203 |

Fees paid by Plan Invest Limited to the auditors for audit services were £2,000 (2001: £2,000) and for other services were £nil (2001: £nil).

| | | | |
|---|-----------|----------------|----------------|
| 6 | EMPLOYEES | 2002 Number | 2001 Number |
|---|-----------|----------------|----------------|

The average monthly number of persons (including directors) employed by the group during the year was:

| | | |
|--------------------------|----|----|
| Managerial and technical | 6 | 7 |
| Secretarial and clerical | 7 | 6 |
| | 13 | 13 |

Staff costs for the above persons:

| | | |
|-----------------------|-----------|-----------|
| | 2002 £ | 2001 £ |
| Wages and salaries | 573,335 | 623,454 |
| Social security costs | 72,438 | 71,471 |
| Other pension costs | 44,897 | 40,909 |
| | 690,670 | 735,834 |

Plan Invest Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2002

6 EMPLOYEES (continued)

DIRECTORS' REMUNERATION

| | 2002 £ | 2001 £ |
|--|---------------|---------------|
| Emoluments | 171,112 | 171,485 |
| Amounts paid to money purchase pension schemes | 20,812 | 20,812 |
| Total emoluments | 191,924 | 192,297 |
| | Number | Number |

The number of directors to whom relevant benefits are accruing under:

| | | |
|------------------------------------|---|---|
| Money purchase pension schemes was | 2 | 2 |
|------------------------------------|---|---|

7 TAXATION

| | 2002 £ | 2001 £ |
|--|-----------|-----------|
| Current tax: | | |
| UK corporation tax on profits of the year | 40,441 | 43,086 |
| Adjustments in respect of previous periods | (2,650) | 134 |
| Total current tax | 37,791 | 43,220 |
| Deferred tax: | | |
| Origination and reversal of timing differences | 6,160 | - |
| Total deferred tax | 6,160 | - |
| Tax on profit on ordinary activities | 43,951 | 43,220 |

Plan Invest Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2002

| | | | |
|---|---|-----------|-----------|
| 7 | TAXATION (continued) | 2002 £ | 2001 £ |
| | Factors affecting tax charge for the year: | | |
| | The tax assessed for the year is higher than the standard rate of corporation tax in the UK (20%). The differences are explained below: | | |
| | Profit on ordinary activities before tax | 170,263 | 184,972 |
| | Profit on ordinary activities multiplied by standard rate of corporation tax in the UK 20% (2001: 20%) | 34,053 | 36,994 |
| | <i>Effects of:</i> | | |
| | Expenses not deductible for tax purposes | 8,479 | 5,629 |
| | Depreciation in excess of capital allowances | (502) | 873 |
| | Accounting profit in excess of taxable gains | - | (8) |
| | Movement in other timing differences | (472) | - |
| | Change of tax rate | (970) | - |
| | Underprovision of current tax charge | (147) | (402) |
| | Adjustment to tax charge in respect of previous periods | (2,650) | 134 |
| | Current tax charge for the year | 37,791 | 43,220 |
| 8 | DIVIDENDS | 2002 £ | 2001 £ |
| | Ordinary – equity shares: | | |
| | Interim paid | 20,173 | 36,000 |
| | Final proposed | 27,000 | - |
| | | 47,173 | 36,000 |
| 9 | PROFIT ATTRIBUTABLE TO THE PARENT COMPANY | 2002 £ | 2001 £ |
| | Profit attributable to the parent company activities | 127,208 | 196,070 |

Plan Invest Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2002

10 INTANGIBLE FIXED ASSETS

| | Purchased goodwill £ |
|------------------------------|----------------------------|
| GROUP | |
| <i>Cost</i> | |
| At beginning and end of year | 44,983 |
| <i>Amortisation</i> | |
| At beginning of year | 2,249 |
| Charged in the year | 2,249 |
| At end of year | 4,498 |
| <i>Net book value</i> | |
| At 30 September 2002 | 40,485 |
| At 30 September 2001 | 42,734 |

Plan Invest Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2002

11 TANGIBLE FIXED ASSETS

| | Freehold land and buildings | Fixtures, fittings and office equipment | Total |
|-----------------------------|-----------------------------------|--|----------------|
| | £ | £ | £ |
| GROUP | | | |
| <i>Cost</i> | | | |
| At beginning of year | 320,000 | 232,921 | 552,921 |
| Additions | - | 21,508 | 21,508 |
| | | | |
| At end of year | 320,000 | 254,429 | 574,429 |
| | | | |
| <i>Depreciation</i> | | | |
| At beginning of year | 25,760 | 182,721 | 208,481 |
| Charged in the year | 6,560 | 19,978 | 26,538 |
| | | | |
| At end of year | 32,320 | 202,699 | 235,019 |
| | | | |
| <i>Net book value</i> | | | |
| At 30 September 2002 | 287,680 | 51,730 | 339,410 |
| | | | |
| At 30 September 2001 | 294,240 | 50,200 | 344,440 |

Plan Invest Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2002

12 FIXED ASSETS INVESTMENTS

Shares in
group
undertakings
£

COMPANY

Cost and net book value:

At beginning and end of year

721,036

The company holds more than 20% of the equity (and no other share or loan capital) of the following undertakings:

| Subsidiary undertaking | Country of registration | Principal activity | Class and percentage of shares held | |
|---------------------------|-------------------------|---|-------------------------------------|---------------|
| | | | Group | Company |
| Plan Invest Group Limited | United Kingdom | Personal financial planning and advising on investments | 100% ordinary | 100% ordinary |
| Plan Insure Limited | United Kingdom | Life assurance and pension broking | 100% ordinary | - |

13 DEBTORS

| | Group | | Company | |
|------------------------------------|----------------|----------------|---------------|-----------|
| | 2002 £ | 2001 £ | 2002 £ | 2001 £ |
| <i>Due within one year:</i> | | | | |
| Trade debtors | 55,483 | 58,912 | - | - |
| Amounts owed by group undertakings | - | - | 27,000 | - |
| Other debtors | 24,053 | 15,909 | - | - |
| Prepayments and accrued income | 38,803 | 44,815 | - | - |
| | <u>118,339</u> | <u>119,636</u> | <u>27,000</u> | <u>-</u> |
| <i>Due in more than one year:</i> | | | | |
| Amounts owed by group undertakings | - | - | 54,330 | - |
| Other debtors | - | 12,000 | - | - |
| | <u>118,339</u> | <u>131,636</u> | <u>81,330</u> | <u>-</u> |

Plan Invest Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2002

14 CURRENT ASSET INVESTMENTS

Investments are stated at the lower of cost and market value and comprise the following:

| | 2002 £ | 2001 £ |
|------------------------|-----------|-----------|
| GROUP | | |
| <i>Market value</i> | | |
| Authorised unit trusts | 12,953 | 16,875 |
| <i>Cost</i> | | |
| Authorised unit trusts | 29,972 | 29,972 |

15 CREDITORS: Amounts falling due within one year

| | Group | | Company | |
|------------------------------------|----------------|----------------|----------------|---------------|
| | 2002 £ | 2001 £ | 2002 £ | 2001 £ |
| Loan notes (see note 15) | 80,035 | 80,035 | 80,035 | 80,035 |
| Bank loans and overdrafts | 3,774 | 10,000 | - | - |
| Corporation tax | 40,441 | 43,086 | - | - |
| Other taxation and social security | 26,212 | 25,879 | - | - |
| Other creditors | 5,592 | 1,534 | - | - |
| Accruals and deferred income | 204,771 | 219,561 | - | - |
| Proposed dividend | 27,000 | - | 27,000 | - |
| | <u>387,825</u> | <u>380,095</u> | <u>107,035</u> | <u>80,035</u> |

The bank loan and overdraft are secured by a debenture giving fixed or floating charges on freehold land and buildings.

Accruals and deferred income includes £57,988 (2001: £57,212) in respect of management fees on client accounts received but not yet recognised. Accruals and deferred income also includes £32,697 (2001: £57,405) in respect of commission on indemnity terms received but not yet recognised. No such commission has been repaid to suppliers during the year and none of the policies concerned have lapsed.

Plan Invest Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2002

16 CREDITORS: Amounts falling due in more than one year

| | Group | | Company | |
|------------|-------|--------|---------|--------|
| | 2002 | 2001 | 2002 | 2001 |
| | £ | £ | £ | £ |
| Loan notes | - | 80,035 | - | 80,035 |

The loan notes are repayable in one instalment in August 2003 and are secured by a second legal charge on the freehold property of the subsidiary undertaking.

17 PROVISIONS FOR LIABILITIES AND CHARGES

| | Deferred taxation | Investment provision | Total |
|---------------------------------------|-------------------|----------------------|---------------|
| | £ | £ | £ |
| GROUP | | | |
| At beginning of year | - | - | - |
| Transfer from profit and loss account | 6,160 | 16,500 | 22,660 |
| At end of year | 6,160 | 16,500 | 22,660 |

A provision of £16,500 has been recognised for expected claims relating to investment advice.

Provision for deferred tax has been made as follows:

| | 2002 | 2001 |
|--|--------------|----------|
| | £ | £ |
| Excess of tax allowances over depreciation | 5,305 | - |
| Other timing differences | 855 | - |
| | 6,160 | - |

Plan Invest Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2002

| 18 | SHARE CAPITAL | 2002 £ | 2001 £ |
|----|--|-----------|-----------|
| | Authorised: | | |
| | Equity: 4,334 'A' ordinary shares of £1 each | 4,334 | 4,334 |
| | Equity: 3,222 'B' ordinary shares of £1 each | 3,222 | 3,222 |
| | Equity: 2,444 'C' ordinary shares of £1 each | 2,444 | 2,444 |
| | | <hr/> | <hr/> |
| | | 10,000 | 10,000 |
| | | <hr/> | <hr/> |
| | Allotted, issued and fully paid: | | |
| | Equity: 4,334 'A' ordinary shares of £1 each | 4,334 | 4,334 |
| | Equity: 3,222 'B' ordinary shares of £1 each | 3,222 | 3,222 |
| | Equity: 1,530 'C' ordinary shares of £1 each | 1,530 | 1,530 |
| | | <hr/> | <hr/> |
| | | 9,086 | 9,086 |
| | | <hr/> | <hr/> |

The classes of shares rank *pari passu* in terms of rights to dividends, rights on a winding up and voting rights except as detailed below:

- The 'A' shares and the 'C' shares shall not confer the right to vote, either on a show of hands or on a poll, upon a resolution for the appointment or removal from office of a 'B' director.
- The 'B' shares and the 'C' shares shall not confer the right to vote, either on a show of hands or on a poll, upon a resolution for the appointment or removal from office of an 'A' director.
- The 'A' shares and the 'B' shares shall not confer the right to vote, either on a show of hands or on a poll, upon a resolution for the appointment or removal from office of a 'C' director.
- If at a meeting a holder of any 'A' shares is not present in person or by proxy, the votes exercisable on a poll in respect of the 'A' shares held by members who are present in person or by proxy shall be *pro tanto* increased so that their 'A' shares shall together entitle them to the same aggregate number of votes as could be cast in respect of all the 'A' shares if all the holders were present.
- If at a meeting a holder of any 'B' shares is not present in person or by proxy, the votes exercisable on a poll in respect of the 'B' shares held by members who are present in person or by proxy shall be *pro tanto* increased so that their 'B' shares shall together entitle them to the same aggregate number of votes as could be cast in respect of all the 'B' shares if all the holders were present.
- A resolution shall not be validly passed unless at least one holder of 'A' shares and at least one holder of 'B' shares votes in its favour.

Plan Invest Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2002

| | | | |
|----|--|------------|----------------------------------|
| 19 | RESERVES | | Share premium account £ |
| | GROUP | | |
| | At beginning and end of year | | 446,140 |
| | COMPANY | | |
| | At beginning and end of year | | 446,140 |
| 20 | PROFIT AND LOSS ACCOUNT | Group £ | Company £ |
| | At beginning of year | 105,752 | 160,070 |
| | Profit for the financial year | 126,312 | 127,208 |
| | Dividends | (47,173) | (47,173) |
| | At end of year | 184,891 | 240,105 |
| 21 | RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES | 2002 £ | 2001 £ |
| | Operating profit | 159,231 | 151,074 |
| | Depreciation | 26,538 | 25,904 |
| | Goodwill amortisation | 2,249 | 2,249 |
| | Decrease in debtors | 13,297 | 100,299 |
| | Decrease in creditors | (90,434) | (119,626) |
| | Increase in provisions | 22,660 | - |
| | Net cash flow from operating activities | 133,541 | 159,900 |

Plan Invest Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2002

22 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT £

| | |
|---|--------|
| Increase in cash in the year | 60,218 |
| Cash inflow from increase in debt and lease financing | 80,035 |

| | |
|-------------------------------------|---------|
| MOVEMENT IN NET FUNDS IN THE PERIOD | 140,253 |
| NET FUNDS AT 30 SEPTEMBER 2001 | 315,353 |

| | |
|--------------------------------|----------------|
| NET FUNDS AT 30 SEPTEMBER 2002 | <u>455,606</u> |
|--------------------------------|----------------|

| 23 ANALYSIS OF NET DEBT | At 30 September 2001 £ | Cash flow £ | At 30 September 2002 £ |
|--------------------------|---------------------------------|----------------|---------------------------------|
| Cash in hand and at bank | 485,423 | 53,992 | 539,415 |
| Overdrafts | (10,000) | 6,226 | (3,774) |
| | | <u>60,218</u> | |
| Debt due after one year | (80,035) | 80,035 | - |
| Debt due within one year | (80,035) | - | (80,035) |
| | <u>315,353</u> | <u>140,253</u> | <u>455,606</u> |

24 CAPITAL COMMITMENTS

There were no capital commitments at the beginning or end of the financial year.

Plan Invest Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2002

25 COMMITMENTS UNDER OPERATING LEASES

At 30 September 2002 the group had annual commitments under non-cancellable operating leases as follows:

| | 2002 £ | 2001 £ |
|-------------------------------------|-----------|-----------|
| GROUP | | |
| Plant and machinery: | | |
| expiring within one year | 62,459 | 10,253 |
| expiring between two and five years | 21,157 | 43,285 |
| | <hr/> | <hr/> |
| | 83,616 | 53,538 |
| | <hr/> | <hr/> |

26 CONTINGENT LIABILITIES

On 25 October 1994 the Securities and Investment Board (SIB) published a report entitled "Pension Transfers and Opt-Outs, Review of Past Business" (the SIB review). The SIB review's objectives were to secure redress for people mis-sold pension transfers and opt-outs on the basis of advice given after 29 April 1998 for transfers to Section 32 contracts, and 1 July 1998 for all other transfers and opt-outs, up to and including 30 June 1994.

The directors arranged to circularise all personal pension and pension transfer cases written in the periods mentioned above and have offered all investors so identified the opportunity to have their case reviewed. The potential liabilities identified by this review have been fully provided in these accounts.

27 PENSION COMMITMENTS

The group operates a discretionary money purchase pension scheme for certain of its present directors and employees whose assets are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £44,897 (2001: £40,909). Prepaid contributions at the end of the year amounted to £4,277 (2001: £7,215).