

# **AIUA Holdings Limited**

## **Report and Financial Statements**

30 April 2004



# AIUA Holdings Limited

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Registered No: 4606615

## **Directors**

G A Harrison  
J O Mountifield  
M N Oughtred

## **Secretary**

P L Harrison

## **Auditors**

Ernst & Young LLP  
Citygate  
St James' Boulevard  
Newcastle upon Tyne  
NE1 4JD

## **Solicitors**

A M Jackson & Co  
Essex House  
Manor Street  
Hull  
HU1 1XH

Connell Associates  
Union Marine Buildings  
11 Dale Street  
Liverpool  
L2 2SH

## **Registered Office**

Wellington House  
108 Beverley Road  
Hull  
HU3 1XA

## Directors' report

The directors present their report and financial statements of the company for the period ended 30 April 2004.

### Results and dividends

The loss for the period amounted to £60,828. The directors do not recommend the payment of any dividends.

### Principal activity and review of business

The company was incorporated on 6 December 2002. The company changed its name from Latemay Limited to AIUA Holdings Limited on 10 March 2003.

The company's principal activity during the year was to act as a holding company to its wholly owned subsidiary, Agricultural Insurance Underwriting Agencies Limited, a company registered in England and Wales.

### Share Capital

During the period the company acquired 100% of the share capital of Agricultural Insurance Underwriters Agency Limited by way of a share for share exchange as part of a group reorganisation arrangement. The capital of the company was subsequently increased by £5,069 by way of issue of 5,069 ordinary shares of £1 each to management.

### Directors and their interests

The directors of the company during the year and to the date of this report are as listed on page 1.

Their interest in the share capital of AIUA Holdings Limited is as follows:

	<i>On incorporation</i>		<i>At 30 April 2004</i>	
	<i>Ordinary "A" Shares</i>	<i>Ordinary shares</i>	<i>Ordinary "A" shares</i>	<i>Ordinary shares</i>
G A Harrison	-	-	9,650	9,717
G L Sheekey (resigned 3 <sup>rd</sup> March 2004)	-	-	-	-
J O Mountifield	-	-	5,000	1,453
M N Oughtred	-	-	5,000	2,000

### Auditors

Ernst & Young LLP have expressed their willingness to continue in office and a resolution proposing their reappointment will be submitted at the Annual General Meeting.

On behalf of the Board



P L Harrison  
Secretary

5 July 2004

## **Statement of directors' responsibilities in respect of the financial statements**

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.

 **ERNST & YOUNG**  
**Independent auditors' report**  
to the members of AIUA Holdings Limited

We have audited the company's financial statements for the year ended 30 April 2004 which comprise the Profit & Loss Account, Balance Sheet, and the related notes 1 to 6. These financial statements have been prepared on the basis of the accounting policies set out therein.

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 auditors' 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**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

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 are 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 is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit 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.

 **ERNST & YOUNG**  
**Independent auditors' report**  
to the members of AIUA Holdings Limited (continued)

**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 30 April 2004 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

*Ernst & Young LLP*

Ernst & Young LLP  
Registered Auditor  
Newcastle

5 July 2004

## Profit and loss account

for the period ended 30 April 2004

	2004 £
<b>Turnover</b>	-
Administrative expenses	60,828
Operating loss	(60,828)
<b>Loss on ordinary activities before taxation</b>	(60,828)
Taxation	-
<b>Loss on ordinary activities after taxation</b>	(60,828)
Dividend	-
<b>Retained (loss) for the year</b>	(60,828)

There are no recognised gains and losses other than the loss in the period ended 30 April 2004 of £60,828.

## Balance sheet

at 30 April 2004

	Notes	2004 £
<b>FIXED ASSETS</b>		
Investments	3	43,660
<b>CURRENT ASSETS</b>		
Debtors	4	5,069
<b>NET CURRENT ASSETS</b>		<u>48,729</u>
<b>CAPITAL AND RESERVES</b>		
Called up equity share capital	5	48,729
Profit and Loss account		-
<b>EQUITY SHAREHOLDERS' FUNDS</b>	6	<u><u>48,729</u></u>

Approved by the Board on 5 July 2004



G A Harrison

Director

## Notes to the financial statements

at 30 April 2004

### 1. Accounting policies

#### *Accounting convention*

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

#### *Cash flow statement*

The company has not prepared a cash flow statement as it is exempt under FRS1 as a small company.

#### *Consolidation*

The company is exempt under Section 248 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as the group it heads qualifies as a medium sized group. These financial statements therefore present information about the company as an individual undertaking and not about its group.

#### *Taxation*

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

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, or a right to pay less, tax in the future have occurred at the balance sheet date, with the following exception:

- provision is made for gains on disposal of fixed assets that have been rolled over into replacement assets only where, at the balance sheet date, there is a commitment to dispose of the replacement assets
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

## Notes to the financial statements

at 30 April 2004

### 2. Operating profit

This is stated after charging:

*Period from 6  
Dec 2002 to  
30 Apr 2004  
£*

Auditors' remuneration – audit services

-

Auditors' remuneration has been borne by the subsidiary company.

### 3. Investments

*Shares in  
subsidiary  
undertakings  
£*

At 30 April 2004

43,660

The principal subsidiaries in which the company holds more than 20% of the nominal value of any class of share capital are as follows:

<i>Name</i>	<i>Proportion of voting rights and shares held</i>	<i>Country of incorporation</i>	<i>Principal activity</i>
Agricultural Insurance Underwriting Agencies Limited	100%	England and Wales	Insurance underwriting agency

At 30 April 2004 the shareholders funds of Agricultural Insurance Underwriting Agencies Limited were £1,407,168 and their retained profit for the year then ended amounted to £559,131.

### 4. Debtors

*2004  
£*

Amounts owed by subsidiary undertakings

5,069

## Notes to the financial statements

at 30 April 2004

### 5. Share capital

*Authorised*

	2004 £
Ordinary shares of £1 each	26,340
'A' ordinary shares of £1 each	23,660
	<u>50,000</u>

*Authorised, called up and fully paid*

	2004 No.	2004 £
Ordinary shares of £1 each	25,069	25,069
'A' ordinary shares of £1 each	23,660	23,660
		<u>48,729</u>

During the period the company acquired 100% of the share capital of Agricultural Insurance Underwriters Agency Limited by way of a share for share exchange as part of a group reorganisation arrangement. The capital of the company was subsequently increased by £5,069 by way of issue of 5,069 ordinary shares of £1 each to management.

### 6. Reconciliation of shareholders' funds and movement on reserves

	Share Capital £	Profit and loss account £	Total share- holders' funds £
On incorporation	-	-	-
Share for share exchange	43,660	-	43,660
New share issue	5,069	-	5,069
Retained loss for the year	-	(60,828)	(60,828)
Credit to profit and loss account	-	60,828	60,828
At 30 April 2004	<u>48,729</u>	<u>-</u>	<u>48,729</u>

During the period 5,069 £1 ordinary shares were issued to management at par value of £1 per share. In accordance with UITF 17 the directors have estimated the fair value of these shares at the date of issue and the difference between that value and the price paid has been charged to the profit and loss account. An equal and opposite amount has been credited to profit and loss reserve in accordance with UITF 17.