

Registration No. 4617115

FIRSTASSIST GROUP LIMITED

Report and Accounts

For the year ended 31 December 2004



FirstAssist Group Limited
For the year ended 31 December 2004

Contents

	Page
Company information	2
Directors' report	3 - 4
Statement of directors' responsibilities	5
Auditors' report	6
Profit and loss account	7
Balance sheet	8
Notes to the accounts	9 - 14

FirstAssist Group Limited
For the year ended 31 December 2004

Company information

Directors

T. A. Ablett (C.E.O. & M.D.)
S. Mukerji (F.D.)

Secretary

F. Firmin

Registered Office

Marshall's Court
Marshall's Road
Sutton
Surrey
SM1 4DU

Auditors

KPMG Audit Plc
8 Salisbury Square
London
EC4Y 8BB

FirstAssist Group Limited
For the year ended 31 December 2004

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2004.

Principal activity

The Company carries on the business of an investment company operating in the health, wellbeing and assistance sector.

Review of the business and future developments

The vision of the Group is to create a Healthcare Insurance Services Group which focuses on the wellbeing of individuals and companies who want to improve employee productivity by managing sickness and absence. This is being achieved by delivering service, protection and claims management solutions to customers in selected market segments. The proposition involves creating an integrated and holistic approach to Healthcare and wellbeing by providing a continuum of solutions, some of which will be service and some insurance lead. The Group does not contain an insurance company although it offers insurance solutions supported by capacity provided by Munich Reinsurance Company.

During the year, the Company increased its investment in FirstAssist Insurance Services Limited and FirstAssist Administration Limited by subscribing to new share issues by these companies at a consideration of £75,000,000 and £849,999, respectively.

The result for the year and financial position at the year end were considered satisfactory by the directors.

Result and dividend

The result for the year is shown in the profit and loss account on page 7. The directors do not recommend payment of a dividend (2003: £Nil).

FirstAssist Group Limited
For the year ended 31 December 2004

Directors' report (continued)

Directors and directors' interests

The directors who held office during the year and to the date of this report were as follows:

	Date of appointment (if during the year)	Date of resignation
T. A. Ablett	-	
S. A. Wood	-	31 October 2004
M. J. Logsdon	-	2 November 2004
S. Mukerji	2 November 2004	

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the Company.

The interests of the directors in the share capital of the ultimate parent company, FirstAssist Group Holdings Limited are disclosed in the directors' report of that company.

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

Political and charitable contributions

The Company made no political contributions or donations to UK charities during the period (2003: £Nil).

Auditors

A resolution to reappoint KPMG Audit Plc as auditors to the Company will be proposed at the next general meeting at which accounts are laid before the Company.

By order of the directors



F. Firmin
Secretary

21 July 2005

FirstAssist Group Limited
For the year ended 31 December 2004

Statement of directors' responsibilities

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 and of the profit or loss 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

FirstAssist Group Limited
For the year ended 31 December 2004

Auditors' report

Report of the independent auditors to the members of FirstAssist Group Limited

We have audited the financial statements on pages 7 to 14.

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 are responsible for preparing the directors' report and, as described on page 5, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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.


Basis of audit 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 31 December 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


KPMG Audit Plc
Chartered Accountants
Registered Auditor
London

21 July 2005

FirstAssist Group Limited

Profit and loss account for the year ended 31 December 2004

		2004	2003
		Year	9 months
	Notes	£'000	£'000
Operating expenses		-	(259)
Operating loss		-	(259)
Interest receivable and similar income	2	4,591	1,850
Interest payable and similar charges	3	(6,754)	(3,554)
Loss on ordinary activities before taxation	5	(2,163)	(1,963)
Tax on loss on ordinary activities	6	649	589
Retained loss for the period		(1,514)	(1,374)

All figures relate to continuing operations.

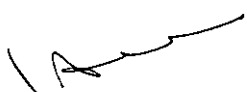
There have been no recognised gains or losses or other movements in shareholders' funds in the reporting period other than those recorded in the profit and loss account. Accordingly, no statement of total recognised gains and losses is presented.


FirstAssist Group Limited

Balance sheet as at 31 December 2004

	Notes	2004 £'000	2003 £'000
Fixed asset investments			
Shares in group undertakings	7	91,227	15,377
		<hr/> 91,227	<hr/> 15,377
Current assets			
Debtors (including £10,000,000 due after more than one year (2003: £85,000,000))	8	11,268	86,019
Cash at bank and in hand		8,536	3,137
		<hr/> 19,804	<hr/> 89,156
Creditors: amounts falling due within one year	9	(5,220)	(113)
		<hr/> 14,584	<hr/> 89,043
Net current assets			
		<hr/> 105,811	<hr/> 104,420
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	10	(108,699)	(105,794)
		<hr/> (2,888)	<hr/> (1,374)
Net liabilities			
Share capital and reserves			
Called up share capital	11	-	-
Profit and loss account	12	(2,888)	(1,374)
		<hr/> (2,888)	<hr/> (1,374)
Equity shareholders' funds			
		<hr/> (2,888)	<hr/> (1,374)

These financial statements were approved by the board of directors on 21 May 2005 and were signed on their behalf by:


T. A. Ablett
Director


S. Mukerji
Director

FirstAssist Group Limited
For the year ended 31 December 2004

Notes to the accounts

1. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance the provisions of Section 226 of and Schedule 4 to the Companies Act 1985, and in accordance with applicable accounting standards and under the historical cost accounting rules.

The Company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the Company as an individual undertaking and not about its group.

Under Financial Reporting Standard 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Investments

Shares in group undertakings are shown at cost.

Investment income

Investment income is accounted for on a receivable basis. Interest income is accrued up to the balance sheet date.

Taxation

UK taxation in the profit and loss account is based on profits and income of the year as determined in accordance with the relevant tax legislation, together with adjustments of provisions for prior years.

Deferred tax is provided in full and consists of the estimated taxation or relief from taxation which is expected to arise from material timing differences using rates based on tax rates and laws that have been substantively enacted by the balance sheet date. Credit is taken for relief for trading and other losses only to the extent that the directors anticipate that suitable profits will absorb such losses in the near future.

FirstAssist Group Limited
For the year ended 31 December 2004

Notes to the accounts (continued)

2. Interest receivable and similar income

	2004	2003
	Year	9 months
	£'000	£'000
Receivable from group undertakings	4,011	1,705
Other	580	145
	4,591	1,850

3. Interest payable and similar charges

	2004	2003
	Year	9 months
	£'000	£'000
On bank loans and overdrafts	648	395
On all other loans	5,541	2,967
Payable to group undertakings	565	192
	6,754	3,554

4. Directors' emoluments

The directors did not receive any emoluments during the period. They were employed by a fellow group undertaking and were remunerated by that undertaking for their services to the Group as a whole.

5. Loss on ordinary activities before taxation

	2004	2003
	Year	9 months
	£'000	£'000
The loss on ordinary activities before taxation is stated after charging:		
Auditors' remuneration for non audit services	-	96

FirstAssist Group Limited
For the year ended 31 December 2004

Notes to the accounts (continued)

6. Tax on loss on ordinary activities

	2004 Year £'000	2003 9 months £'000
Current tax		
UK Corporation Tax	(649)	(589)
Tax on loss on ordinary activities	(649)	(589)

UK Corporation tax for the period is based on a rate of 30% (2003: 30%).

7. Shares in group undertakings

	Group undertakings £'000
Shares at cost	
At 1 January 2004	15,377
Additions	75,850
At 31 December 2004	91,227
Net book value	
At 31 December 2004	91,227
At 31 December 2003	15,377

During the year, the Company increased its investment in FirstAssist Insurance Services Limited and FirstAssist Administration Limited by subscribing to new share issues by these companies at a consideration of £75,000,000 and £849,999, respectively.

Investments in group undertakings, which are all wholly owned, are as follows:

	Country of incorporation	Class of shares held	Principal activity	Held directly or indirectly
FirstAssist Insurance Services Limited	Great Britain	Ordinary	Healthcare insurance	Direct
FirstAssist Services Limited	Great Britain	Ordinary	Healthcare administration	Direct
FirstAssist Administration Limited	Great Britain	Ordinary	Business administration	Direct

FirstAssist Group Limited
For the year ended 31 December 2004

Notes to the accounts (continued)

8. Debtors

	<u>2004</u>	<u>2003</u>
	£'000	£'000
Amounts owed by group undertakings	10,619	85,430
Group relief receivable	649	589
	<hr/> 11,268	<hr/> 86,019
Of which £10,000,000 falls due after more than one year (2003: £85,000,000).		

9. Creditors : amounts falling due within one year

	<u>2004</u>	<u>2003</u>
	£'000	£'000
Debenture loans	5,000	-
Amounts owed to group undertakings	35	28
Other creditors	125	-
Accruals	60	85
	<hr/> 5,220	<hr/> 113

FirstAssist Group Limited
For the year ended 31 December 2004

Notes to the accounts (continued)

10. Creditors : amounts falling due after more than one year

	<u>2004</u>	<u>2003</u>
	£'000	£'000
Fixed rate loan notes	93,759	90,065
Debenture loans	5,940	5,872
Amounts owed to group undertakings	9,000	9,857
	<u>108,699</u>	<u>105,794</u>

The rights of the loan note holders are subordinated to the rights of the debenture loan holders.

Analysis of debt :

	<u>2004</u>	<u>2003</u>
	£'000	£'000
Debt can be analysed as falling due:		
In one year or less, or on demand	5,000	-
Between one and two years	-	-
Between two and five years	5,940	-
In five years or more	102,759	105,794
	<u>113,699</u>	<u>105,794</u>

11. Share capital

	<u>2004</u>	<u>2003</u>
	£	£
Authorised:		
100 ordinary shares of £1 each	100	100
Allotted, issued and fully paid:		
1 ordinary share of £1	1	1

FirstAssist Group Limited
For the year ended 31 December 2004

Notes to the accounts (continued)

12. Profit & loss account

	<u>2004</u>	<u>2003</u>
	£'000	£'000
Opening balance	(1,374)	-
Loss for the period	(1,514)	(1,374)
Closing balance	<u>(2,888)</u>	<u>(1,374)</u>

13. Reconciliation of movements in equity shareholders' funds

	<u>2004</u>	<u>2003</u>
	£'000	£'000
Opening shareholders' funds	(1,374)	-
Loss for the period	(1,514)	(1,374)
Closing shareholders' funds	<u>(2,888)</u>	<u>(1,374)</u>

14. Capital commitments

The Company had no capital commitments at 31 December 2004 (2003: £Nil).

15. Group offset agreement

The Company and other group undertakings are parties to group banking facilities. The Company's cash at bank includes £8,536,000 (2003: £1,021,000) which may be used to offset liabilities of those undertakings to the bank.

16. Related party transactions

The Company has taken advantage of the exemption provided in FRS 8 from disclosing details of transactions with FirstAssist Group Holdings Limited and its subsidiaries.

17. Ultimate parent company

The parent company in which the results of the Company are consolidated is that headed by FirstAssist Group Holdings Limited, which is registered in England & Wales. The consolidated accounts of that company can be obtained from Marshall's Court, Marshall's Road, Sutton, Surrey. SM1 4DU. No other group accounts include the results of the Company.