

**Registered no. 4799687**

**HAMMOND PROFESSIONAL INDEMNITY CONSULTANTS  
LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 30 APRIL 2004**



**MEAGER WOOD LOCKE & COMPANY  
123 HAGLEY ROAD  
EDGBASTON  
BIRMINGHAM  
B16 8LD**

# **HAMMOND PROFESSIONAL INDEMNITY CONSULTANTS LIMITED**

<b>CONTENTS</b>	<b>PAGE</b>
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Directors' report	1
Auditors' report	2
Profit and loss account	3
Balance sheet	4
Notes to the accounts	5

**For information of the directors only:**

Detailed trading and profit and loss account	1
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# HAMMOND PROFESSIONAL INDEMNITY CONSULTANTS LIMITED

## DIRECTORS' REPORT FOR THE PERIOD ENDED 30 APRIL 2004

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

### 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 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;
- prepare the financial statements on a 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.

### Directors

G Cerone

D Hedgecock

### Secretary

LS Field

### Registered Office

Beech House,  
Pinewood Court  
Coleshill Road  
Marston Green  
Birmingham, B37 7HG

### Principal Activity

The principal activity of the company throughout the period was that of specialist professional indemnity brokers.

### Directors

The present directors are as shown above. All served on the board throughout the period.

The company's Articles of Association do not require directors to retire by rotation.

### Directors' Interests

The interests of the directors in the shares of the company at the beginning and end of the period, were as follows:

	30 April 2004	1 October 2003
D Hedgecock		
49 Ordinary £1 shares	49	49

### Auditors

The auditors, Meager Wood Locke & Company, have indicated their willingness to accept re-appointment under Section 385(2) of the Companies Act 1985.

The directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD

*LS Field*  
L S FIELD – SECRETARY

Date: *17.02.05*



Chartered Accountants  
& Registered Auditors

Meager Wood Locke  
& Company

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Edgbaston,  
Birmingham,  
B16 8LD

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## HAMMOND PROFESSIONAL INDEMNITY CONSULTANTS LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HAMMOND PROFESSIONAL INDEMNITY CONSULTANTS LIMITED

We have audited the financial statements of Hammond Professional Indemnity Consultants Limited for the period ended 30 April 2004 which comprises the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and 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 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

As described in the directors' report, the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom 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 misstatement within it.

#### 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.

#### 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 2004 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

*Meager Wood Locke & Co.*  
**MEAGER WOOD LOCKE & COMPANY**  
Registered Auditors  
Date: 17th February 2005

123 HAGLEY ROAD  
EDGBASTON  
BIRMINGHAM  
B16 8LD



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of investment business activities  
by the Institute of Chartered  
Accountants in England and Wales

# **HAMMOND PROFESSIONAL INDEMNITY CONSULTANTS LIMITED**

## **PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 30 APRIL 2004**

	<b>Note</b>	<b>2004 £</b>
<b>TURNOVER</b>	<b>2</b>	<b>30,703</b>
Cost of sales		11,947
		<hr/>
<b>GROSS PROFIT</b>		<b>18,756</b>
Net operating expenses	<b>3</b>	14,307
		<hr/>
<b>OPERATING PROFIT</b>	<b>4</b>	<b>4,449</b>
Other interest receivable and similar income		1
		<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>4,450</b>
Tax on profit on ordinary activities	<b>5</b>	920
		<hr/>
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		<b>3,530</b>
		<hr/> <hr/>

The annexed notes form part of these financial statements.

# HAMMOND PROFESSIONAL INDEMNITY CONSULTANTS LIMITED

BALANCE SHEET AT 30 APRIL 2004

	Note	2004 £
<b>CURRENT ASSETS</b>		
Debtors	6	1,125
Cash at bank and in hand		8,307
		<hr/> 9,432
<b>CREDITORS</b>		
Amounts falling due within one year	7	5,802
		<hr/>
<b>NET CURRENT ASSETS</b>		3,630
<b>NET ASSETS</b>		<hr/> 3,630 <hr/>
<b>CAPITAL AND RESERVES</b>		
Called up share capital	8	100
Profit and loss account		3,530
		<hr/>
<b>SHAREHOLDERS' FUNDS</b>		<hr/> 3,630 <hr/>

The financial statements 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 (effective June 2002).

These financial statements were approved by the board on 17<sup>th</sup> February 2005  
ON BEHALF OF THE BOARD

  
.....  
G CERONE - DIRECTOR

  
.....  
D HEDGE COCK - DIRECTOR

The annexed notes form part of these financial statements.

# HAMMOND PROFESSIONAL INDEMNITY CONSULTANTS LIMITED

## NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 30 APRIL 2004

### 1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have been consistently applied within the same accounts.

#### Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The effects of events in relation to the period ended 30 April 2004 which occurred before the date of approval of the financial statements by the Board of Directors, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 30 April 2004 and of the results for the period ended on that date.

#### Deferred Taxation

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences.

### 2. TURNOVER

The company's turnover represents the value of goods and services supplied to customers during the period.

### 3. NET OPERATING EXPENSES

	2004
	£
Administrative expenses	14,307
	<hr/>

### 4. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2004
	£
Auditors' remuneration	689
	<hr/>

### 5. TAXATION

	2004
	£
Corporation tax charge	920
	<hr/>

# **HAMMOND PROFESSIONAL INDEMNITY CONSULTANTS LIMITED**

## **NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 30 APRIL 2004 (CONT)**

### **6. DEBTORS**

	<b>2004</b>
	<b>£</b>
Amount owed by parent in which company has an interest	100
Other debtors	1,025
	<hr/>
	1,125
	<hr/>

### **7. CREDITORS - AMOUNTS DUE WITHIN ONE YEAR**

	<b>2004</b>
	<b>£</b>
Trade creditors	2,095
Corporation tax payable	920
Other creditors	2,787
	<hr/>
	5,802
	<hr/>

### **8. SHARE CAPITAL**

	<b>2004</b>
	<b>£</b>
Authorised 100 ordinary shares of £1 each	100
	<hr/>
Allotted, called up and fully paid 100 ordinary shares of £1 each	100
	<hr/>

### **9. RELATED PARTIES**

During the year, the company received management charges from The Hammond Group Limited, which is the parent company. The charge for the period was £4,113.

### **10. CONTROLLING PARTY**

The company is controlled by the director's D Hedgecock and G Cerone. The ultimate controlling party is its parent company The Hammond Group Limited, who own 51% of the company's share capital.



# **HAMMOND PROFESSIONAL INDEMNITY CONSULTANTS LIMITED**

## **NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 30 APRIL 2004 (CONT)**

### **11. COMPANIES UNDER COMMON DIRECTORATE**

Companies having the same or predominantly the same shareholders and/or boards of directors but which are neither parent, subsidiary, related nor associated companies.

Amounts due from such companies:

	<b>2004</b>
	<b>£</b>
The Hammond Group Limited	100
	<u>          </u>

### **12. PARENT UNDERTAKINGS**

The ultimate parent company is The Hammond Group Limited, a company registered in Great Britain.

**THE FOLLOWING PAGES ARE FOR THE INFORMATION  
OF THE DIRECTORS ONLY.**

**THEY DO NOT FORM PART OF THE STATUTORY ACCOUNTS.**

# **HAMMOND PROFESSIONAL INDEMNITY CONSULTANTS LIMITED**

## **TRADING & PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 30 APRIL 2004**

		<b>2004</b>
		<b>£</b>
<b>TURNOVER</b>		30,703
<b>COST OF SALES</b>		
Commissions payable	11,947	
	<hr/>	
		11,947
		<hr/>
<b>GROSS PROFIT</b>		18,756
<b>OVERHEAD EXPENSES</b>		
Wages and salaries	7,551	
Management charges	4,113	
Insurances	613	
Postage and stationery	792	
Computer costs and website	476	
Auditors' remuneration	689	
Training costs	60	
Bank charges	13	
	<hr/>	
		14,307
		<hr/>
<b>OPERATING PROFIT</b>		4,449
Bank interest		1
		<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES</b>		
<b>BEFORE TAXATION</b>		4,450
		<hr/> <hr/>