

MONTPELIER PROFESSIONAL LIMITED

FINANCIAL STATEMENTS

31ST DECEMBER 2004



MONTPELIER PROFESSIONAL LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mrs K S Walsh
Mr R A Jackson
Mr B W F Spence
Mr T D McLean

Company secretary

Mrs K Walsh

Registered office

Montpelier House
62-66 Deansgate
Manchester
M3 2EN

Bankers

Co-operative Bank plc
PO Box 101
1, Balloon Street
Manchester
M60 4EP

MONTPELIER PROFESSIONAL LIMITED**THE DIRECTORS' REPORT****PERIOD FROM 14TH JANUARY 2004 TO 31ST DECEMBER 2004**

The directors present their annual report together with the unaudited financial statements of the company for the period from 14th January 2004 to 31st December 2004. The company is dormant and has not traded during the period.

THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY

The directors who served the company during the period together with their beneficial interests in the shares of the company were as follows:

		Ordinary Shares of £1 each	
		At	At
		31 December 2004	14 January 2004 or later date of appointment
Mr E P Thomson	(Appointed 3 November 2004)	—	—
Mrs K S Walsh	(Appointed 3 November 2004)	—	—
Mr R A Jackson	(Appointed 3 November 2004)	2	—
Mr B W F Spence	(Appointed 14 January 2004)	—	—
		<hr/>	<hr/>

Mr T D McLean was appointed as a director on 1st July 2005.

Mr E P Thomson retired as a director on 1st July 2005.

Registered office:
Montpelier House
62-66 Deansgate
Manchester
M3 2EN

Signed by order of the directors



MRS K WALSH
Company Secretary

Approved by the directors on 26th September 2005

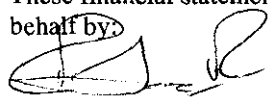
MONTPELIER PROFESSIONAL LIMITED**BALANCE SHEET****31ST DECEMBER 2004**

	Note	£	31 Dec 04 £
FIXED ASSETS			
Intangible assets	3		—
CURRENT ASSETS			
Debtors	4	428,000	
Investments	5	42	
Cash at bank		5	
		<u>428,047</u>	
CREDITORS: Amounts falling due within one year	6	<u>428,045</u>	
NET CURRENT ASSETS			<u>2</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2</u>
CAPITAL AND RESERVES			
Called-up equity share capital	8		<u>2</u>
SHAREHOLDER'S FUNDS			<u>2</u>

Statements:

- (a) For the period from 14th January 2004 to 31st December 2004 the company was entitled to exemption from audit under Section 249AA(1) of the Companies Act 1985.
- (b) Members have not required the company to obtain an audit in accordance with Section 249B(2) of the Companies Act 1985.
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring the company keeps accounting records in accordance with Section 221, and
 - (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit and loss for the financial period in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements were approved by the directors on the 26th September 2005 and are signed on their behalf by:



MR R A JACKSON

MONTPELIER PROFESSIONAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****PERIOD FROM 14TH JANUARY 2004 TO 31ST DECEMBER 2004****1. DORMANT STATUS**

The company was dormant (within the meaning of Section 249AA of the Companies Act 1985) throughout the period ended 31st December 2004. The company has not traded during the period. During the period the company received no income and incurred no expenditure and therefore made neither profit nor loss.

2. PROFIT AND LOSS ACCOUNT

The company did not trade during the period and has made neither a profit nor a loss. No Profit and Loss Account has therefore been prepared.

3. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
Additions	400,000
Disposals	(400,000)
At 31st December 2004	<u>—</u>
AMORTISATION	<u>—</u>
NET BOOK VALUE	
At 31st December 2004	<u>—</u>

4. DEBTORS

	31 Dec 04 £
Amounts owed by group undertakings	<u>428,000</u>

The debtors above include the following amounts falling due after more than one year:

	31 Dec 04 £
Other debtors	<u>28,000</u>

MONTPELIER PROFESSIONAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****PERIOD FROM 14TH JANUARY 2004 TO 31ST DECEMBER 2004****5. INVESTMENTS**

	31 Dec 04
	£
Shares in group undertakings	<u>42</u>

The company owns 100% of the issued share capital of the companies listed below, except for Montpelier Financial Services (Manchester) Limited (76%)

Montpelier Assured Limited
 Montpelier Consult Limited
 Montpelier Financial Services (Manchester) Limited

None of these companies traded during the period ended 31 December 2004.

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

6. CREDITORS: Amounts falling due within one year

	31 Dec 04
	£
Amounts owed to group undertakings	36
Other creditors	<u>428,009</u>
	<u>428,045</u>

7. RELATED PARTY TRANSACTIONS

The company was under the control of Mr R A Jackson throughout the year. Mr Jackson is a director of the company a the sole shareholder.

On 31 December 2004, Thomson Morley Jackson & Co, a partnership in which Mr R A Jackson is a partner, sold goodwill to the company for an amount of £400,000. The company subsequently sold this goodwill to Montpelier Financial Services (Manchester) Limited on 31 December 2004 for the same amount. Montpelier Financial Services (Manchester) Limited is a subsidiary undertaking of the company, the company owning 76% of the issued share capital in that company.

At the balance sheet date the company owed an amount of £428,000 to the Thomson Morley Jackson & Co partnership.

At the balance sheet date the company was owed an amount of £428,000 by Montpelier Financial Services (Manchester) Limited. Of this amount, £28,000 is a long term debtor accruing interest at 5% over bank base rate. The remaining £400,000 was settled in February 2005 by the issue of ordinary shares of £1 each in Montpelier Financial Services (Manchester) Limited.

MONTPELIER PROFESSIONAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****PERIOD FROM 14TH JANUARY 2004 TO 31ST DECEMBER 2004****8. SHARE CAPITAL****Authorised share capital:**

1,000,000 Ordinary shares of £1 each

31 Dec 04
£
1,000,000

Allotted, called up and fully paid:

Ordinary shares of £1 each

No	£
<u>2</u>	<u>2</u>