

PROTECTAGROUP HOLDINGS LIMITED
(PREVIOUSLY KNOWN AS ONE ONE ONE LIMITED)

Report of the Directors and
Consolidated Financial Statements
for the year ended 30 November 2005

Company No - 05081105



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PROTECTAGROUP HOLDINGS LIMITED

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PROTECTAGROUP HOLDINGS LIMITED
PREVIOUSLY KNOWN AS ONE ONE ONE LIMITED

Company Information
for the year ended 30 November 2005

DIRECTORS:

P R Ragan
M F Chard
Ms L Haggett

SECRETARY:

I W Brown

REGISTERED OFFICE:

Motaquote House
Dinas Isaf Industrial Estate
Williamstown
RHONDDA CYNON TAFF
CF40 1NY

REGISTERED NUMBER:

05081105 (England and Wales)

AUDITORS:

KTS OWENS THOMAS LIMITED
Chartered Accountants and Registered Auditor
The Counting House
Celtic Gateway
Cardiff
CF11 0SN

PROTECTAGROUP HOLDINGS LIMITED

Report of the Directors for the year ended 30 November 2005

The directors present their report with the financial statements of the company and the group for the year ended 30 November 2005.

CHANGE OF NAME

The company passed a special resolution on 16 January 2006 changing its name from One One One Limited to Protectagroup Holdings Limited.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of the provision of insurance services and related activities.

REVIEW OF BUSINESS

The results for the year and financial position of the company and the group are as shown in the annexed financial statements.

DIVIDENDS

An interim dividend of £0.312 per share was paid on 30 November 2005. The directors recommend that no final dividend will be paid.

The total distribution of dividends for the year ended 30 November 2005 was £156,000.

DIRECTORS

The directors during the year under review were:

P R Ragan
M F Chard
Ms L Haggett

The beneficial interests of the directors holding office on 30 November 2005 in the issued share capital of the company were as follows:

	30.11.05	1.12.04
Ordinary £1 shares		
P R Ragan	400,000	400,000
M F Chard	50,000	50,000
Ms L Haggett	50,000	50,000

PROTECTAGROUP HOLDINGS LIMITED

Report of the Directors for the year ended 30 November 2005

STATEMENT OF 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 the group and of the profit or loss of the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, KTS OWENS THOMAS LIMITED, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


.....
I W Brown - Secretary

Date: 11.5.06

We have audited the financial statements of Protectagroup Holdings Limited for the year ended 30 November 2005 on pages six to thirty. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) 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 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 on page three the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Report of the Directors 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 Report of the Directors 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.



Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group as at 30 November 2005 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KTS Owens Thomas Limited

KTS OWENS THOMAS LIMITED
Chartered Accountants and Registered Auditor
The Counting House
Celtic Gateway
Cardiff
CF11 0SN

Date: *May 11th 2006*

PROTECTAGROUP HOLDINGS LIMITED**Consolidated Profit and Loss Account
for the year ended 30 November 2005**

	Notes	2005 £	2004 £
TURNOVER		5,164,318	887,355
Continuing operations		4,772,488	887,355
Discontinued operations		<u>391,830</u>	<u>-</u>
Cost of sales	2	<u>(84,452)</u>	<u>(15,627)</u>
GROSS PROFIT	2	5,079,866	871,728
Net operating expenses	2	<u>(4,521,269)</u>	<u>(1,056,250)</u>
OPERATING PROFIT/(LOSS)	4	558,597	(184,522)
Continuing operations		522,256	(184,522)
Discontinued operations		<u>36,341</u>	<u>-</u>
Interest receivable and similar income		<u>44,165</u>	<u>1,158</u>
		602,762	(183,364)
Interest payable and similar charges	5	<u>(271,345)</u>	<u>(34,315)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		331,417	(217,679)
Tax on profit/(loss) on ordinary activities	6	<u>(55,660)</u>	<u>13,099</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		275,757	(204,580)
Minority interest - equity		<u>(23,285)</u>	<u>4,418</u>
Dividends	8	<u>(156,000)</u>	<u>-</u>
RETAINED PROFIT/(DEFICIT) FOR THE YEAR FOR THE GROUP		96,472	(200,162)

The notes form part of these financial statements

PROTECTAGROUP HOLDINGS LIMITED

**Statement of Total Recognised Gains and Losses
for the year ended 30 November 2005**

	2005	2004
	£	£
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	252,472	(200,162)
Asset revaluations	714,001	57,303
Disposal of revalued properties	-	(9,584)
Depreciation on revalued asset	(16,450)	-
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>950,023</u>	<u>(152,443)</u>

The notes form part of these financial statements

PROTECTAGROUP HOLDINGS LIMITED**Consolidated Balance Sheet
30 November 2005**

		2005 £	2004 £
FIXED ASSETS	Notes		
Intangible assets	9	5,584,161	5,878,909
Tangible assets	10	2,447,715	1,554,137
Investments	11	-	-
		<u>8,031,876</u>	<u>7,433,046</u>
CURRENT ASSETS			
Debtors	12	2,072,763	2,168,417
Cash at bank and in hand		<u>1,655,098</u>	<u>14,146</u>
		3,727,861	2,182,563
CREDITORS			
Amounts falling due within one year	13	<u>(3,487,205)</u>	<u>(3,555,000)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>240,656</u>	<u>(1,372,437)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		8,272,532	6,060,609
CREDITORS			
Amounts falling due after more than one year	14	<u>(5,108,424)</u>	<u>(3,993,542)</u>
MINORITY INTERESTS	17	-	<u>(79,231)</u>
NET ASSETS		<u>3,164,108</u>	<u>2,146,298</u>

The notes form part of these financial statements

PROTECTAGROUP HOLDINGS LIMITED

Consolidated Balance Sheet - continued
30 November 2005

	Notes	2005 £	2004 £
CAPITAL AND RESERVES			
Called up share capital	18	500,000	500,000
Share premium	19	1,628,000	1,628,000
Revaluation reserve	19	916,011	218,460
Profit and loss account	19	<u>120,097</u>	<u>(200,162)</u>
SHAREHOLDERS' FUNDS	23	<u>3,164,108</u>	<u>2,146,298</u>

ON BEHALF OF THE BOARD:



.....
P R Ragan - Director

Approved by the Board on 11.5.06

The notes form part of these financial statements

PROTECTAGROUP HOLDINGS LIMITED
PREVIOUSLY KNOWN AS ONE ONE ONE LIMITED

Company Balance Sheet
30 November 2005

	Notes	2005 £	2004 £
FIXED ASSETS			
Intangible assets	9	-	-
Tangible assets	10	-	-
Investments	11	<u>4,959,585</u>	<u>4,959,585</u>
		<u>4,959,585</u>	<u>4,959,585</u>
CURRENT ASSETS			
Debtors	12	75,434	-
Cash at bank		<u>-</u>	<u>3,930</u>
		75,434	3,930
CREDITORS			
Amounts falling due within one year	13	<u>(843,831)</u>	<u>(469,492)</u>
NET CURRENT LIABILITIES		<u>(768,397)</u>	<u>(465,562)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,191,188	4,494,023
CREDITORS			
Amounts falling due after more than one year	14	<u>(2,062,803)</u>	<u>(2,407,440)</u>
NET ASSETS		<u>2,128,385</u>	<u>2,086,583</u>
CAPITAL AND RESERVES			
Called up share capital	18	500,000	500,000
Share premium	19	1,628,000	1,628,000
Profit and loss account	19	<u>385</u>	<u>(41,417)</u>
SHAREHOLDERS' FUNDS	23	<u>2,128,385</u>	<u>2,086,583</u>

ON BEHALF OF THE BOARD:

.....
P R Ragan - Director

Approved by the Board on 11.5.06

The notes form part of these financial statements

PROTECTAGROUP HOLDINGS LIMITED

**Cash Flow Statement
for the year ended 30 November 2005**

	Notes	2005 £	2004 £
Net cash inflow from operating activities	1	1,343,415	131,364
Returns on investments and servicing of finance	2	(211,912)	(19,517)
Taxation		98,540	13,099
Capital expenditure	2	(267,622)	(5,191,660)
Equity dividends paid		<u>(156,000)</u>	<u>-</u>
		806,421	(5,066,714)
Financing	2	<u>1,372,431</u>	<u>4,887,891</u>
Increase/(Decrease) in cash in the period		<u>2,178,852</u>	<u>(178,823)</u>
Reconciliation of net cash flow to movement in net debt			
	3		
Increase/(Decrease) in cash in the period		2,178,852	(178,823)
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing		<u>71,146</u>	<u>(2,746,251)</u>
Change in net debt resulting from cash flows		<u>2,249,998</u>	<u>(2,925,074)</u>
Movement in net debt in the period		2,249,998	(2,925,074)
Net debt at 1 December 2004		<u>(5,191,545)</u>	<u>-</u>
Net debt at 30 November 2005		<u>(2,941,547)</u>	<u>(2,925,074)</u>

The notes form part of these financial statements

PROTECTAGROUP HOLDINGS LIMITED

Notes to the Cash Flow Statement for the year ended 30 November 2005

1. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

Year ended 30 November 2005

	Continuing £	Discontinued £	Total £
Operating profit	522,256	36,341	558,597
Depreciation charges	364,795	1,548	366,343
Subsidiary leaving group	-	279,732	279,732
Increase in debtors	(558,817)	-	(558,817)
Increase in creditors	697,560	-	697,560
Net cash inflow from continuing operating activities	1,025,794		1,025,794
Net cash inflow from discontinued operating activities		317,621	317,621
Net cash inflow from operating activities			1,343,415

Year ended 30 November 2004

	Continuing £	Discontinued £	Total £
Operating (loss)	(184,522)	-	(184,522)
Depreciation charges	80,415	-	80,415
Increase in creditors	235,471	-	235,471
Net cash inflow from continuing operating activities	131,364		131,364
Net cash inflow from discontinued operating activities		-	
Net cash inflow from operating activities			131,364

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2005 £	2004 £
Returns on investments and servicing of finance		
Interest received	44,165	1,158
Interest paid	(227,772)	(15,803)
Interest element of hire purchase payments	(28,305)	(4,872)
Net cash outflow for returns on investments and servicing of finance	(211,912)	(19,517)

PROTECTAGROUP HOLDINGS LIMITED

**Notes to the Cash Flow Statement
for the year ended 30 November 2005**

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT
- continued**

	2005 £	2004 £
Capital expenditure		
Purchase of intangible fixed assets	(10,000)	(5,193,261)
Purchase of tangible fixed assets	(270,133)	1,601
Sale of tangible fixed assets	12,511	-
Net cash outflow for capital expenditure	<u>(267,622)</u>	<u>(5,191,660)</u>
Financing		
New loans in year	350,000	2,960,000
Loan repayments in year	(372,511)	(190,375)
Deferred override advance	1,250,000	-
Capital repayments in year	(48,635)	(9,734)
Amount introduced by directors	193,577	-
Share issue	-	2,128,000
Net cash inflow from financing	<u>1,372,431</u>	<u>4,887,891</u>

The notes form part of these financial statements

PROTECTAGROUP HOLDINGS LIMITED

**Notes to the Cash Flow Statement
for the year ended 30 November 2005**

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/12/04 £	Cash flow £	At 30/11/05 £
Net cash:			
Cash at bank and in hand	14,146	1,640,952	1,655,098
Bank overdrafts	<u>(756,783)</u>	<u>537,900</u>	<u>(218,883)</u>
	<u>(742,637)</u>	<u>2,178,852</u>	<u>1,436,215</u>
Debt:			
Hire purchase	(49,283)	48,635	(648)
Debts falling due within one year	(409,000)	(30,578)	(439,578)
Debts falling due after one year	<u>(3,990,625)</u>	<u>53,089</u>	<u>(3,937,536)</u>
	<u>(4,448,908)</u>	<u>71,146</u>	<u>(4,377,762)</u>
Total	<u>(5,191,545)</u>	<u>2,249,998</u>	<u>(2,941,547)</u>

The notes form part of these financial statements

I. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and are in accordance with applicable accounting standards.

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Goodwill

Goodwill, being the amounts paid in connection with the acquisition of various businesses over the last 20 years are being amortised over an estimated useful life of twenty years.

The group purchased a website in the period, which is also capitalised over 20 years, with amortisation calculated on a monthly basis in the first year.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures & Fittings	- Straight line over 20 years, Straight line over 4 years and Straight line over 5 years
Motor vehicles	- Straight line over 4 years
Computer equipment	- Straight line over 20 years, Straight line over 4 years and Straight line over 3 years

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Pensions

The group operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

PROTECTAGROUP HOLDINGS LIMITED

Notes to the Financial Statements - continued
for the year ended 30 November 2005

2. ANALYSIS OF OPERATIONS

	Continuing £	2005 Discontinued £	Total £
Cost of sales	<u>36,207</u>	<u>48,245</u>	<u>84,452</u>
Gross profit	<u>4,736,281</u>	<u>343,585</u>	<u>5,079,866</u>
Net operating expenses:			
Administrative expenses	4,441,101	309,440	4,750,541
Other operating income	<u>(227,076)</u>	<u>(2,196)</u>	<u>(229,272)</u>
	<u>4,214,025</u>	<u>307,244</u>	<u>4,521,269</u>
	Continuing £	2004 Discontinued £	Total £
Cost of sales	<u>15,627</u>	<u>-</u>	<u>15,627</u>
Gross profit	<u>871,728</u>	<u>-</u>	<u>871,728</u>
Net operating expenses:			
Administrative expenses	1,079,115	-	1,079,115
Other operating income	<u>(22,865)</u>	<u>-</u>	<u>(22,865)</u>
	<u>1,056,250</u>	<u>-</u>	<u>1,056,250</u>

3. STAFF COSTS

	2005 £	2004 £
Wages and salaries	2,042,627	448,928
Social security costs	203,678	30,542
Other pension costs	<u>38,399</u>	<u>5,881</u>
	<u>2,284,704</u>	<u>485,351</u>

PROTECTAGROUP HOLDINGS LIMITED

Notes to the Financial Statements - continued for the year ended 30 November 2005

3. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	2005	2004
Administration and management	<u>143</u>	<u>130</u>

4. OPERATING PROFIT/(LOSS)

The operating profit (2004 - operating loss) is stated after charging:

	2005	2004
	£	£
Hire of plant and machinery	271,163	40,422
Other operating leases	75,381	12,922
Depreciation - owned assets	40,082	71,488
Depreciation - assets on hire purchase contracts	21,512	85,540
Goodwill amortisation	304,749	109,077
Auditor's remuneration	16,520	2,071
Auditors' remuneration for non audit work	<u>51,781</u>	<u>4,128</u>
Directors' emoluments	211,691	137,673
Compensation to director for loss of office	<u>-</u>	<u>5,000</u>

Information regarding the highest paid director for the year ended 30 November 2005 is as follows:

	2005	2004
	£	£
Highest earning director	65,000	55,629

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2005	2004
	£	£
Bank interest payable	69,452	72,217
Bank loan interest	51,518	9,511
Loan interest payable	122,070	(52,285)
Hire purchase interest	<u>28,305</u>	<u>4,872</u>
	<u>271,345</u>	<u>34,315</u>

PROTECTAGROUP HOLDINGS LIMITED

Notes to the Financial Statements - continued for the year ended 30 November 2005

6. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit on ordinary activities for the year was as follows:

	2005 £	2004 £
Current tax:		
UK corporation tax	55,660	-
Under/overprovision for PY	-	(13,099)
Tax on profit/(loss) on ordinary activities	<u>55,660</u>	<u>(13,099)</u>

Factors affecting the tax charge/(credit)

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2005 £	2004 £
Profit/(loss) on ordinary activities before tax	<u>331,417</u>	<u>(217,679)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.445% (2004 - 0%)	77,701	-
Effects of:		
Expenses not deductible for tax purposes	7,770	-
Capital allowances for the period in excess of depreciation	42,149	-
Utilisation of tax losses	(71,960)	-
Prior year	-	(13,099)
Current tax charge/(credit)	<u>55,660</u>	<u>(13,099)</u>

7. PROFIT OF PARENT COMPANY

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £197,802 (2004 - £(41,417) loss).

PROTECTAGROUP HOLDINGS LIMITED

Notes to the Financial Statements - continued
for the year ended 30 November 2005

8. DIVIDENDS

	2005	2004
	£	£
Equity shares:		
Dividend	<u>156,000</u>	<u>-</u>

9. INTANGIBLE FIXED ASSETS

Group

	Goodwill
	£
COST	
At 1 December 2004	6,180,257
Additions	<u>10,000</u>
At 30 November 2005	<u>6,190,257</u>
AMORTISATION	
At 1 December 2004	301,347
Amortisation for year	322,349
Charge written back	<u>(17,600)</u>
At 30 November 2005	<u>606,096</u>
NET BOOK VALUE	
At 30 November 2005	<u>5,584,161</u>
At 30 November 2004	<u>5,878,910</u>

PROTECTAGROUP HOLDINGS LIMITED

Notes to the Financial Statements - continued
for the year ended 30 November 2005

10. TANGIBLE FIXED ASSETS

Group	Freehold property £	Fixtures & Fittings £	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION					
At 1 December 2004	1,355,287	252,694	11,508	374,229	1,993,718
Additions	-	12,713	-	257,420	270,133
Disposals	-	(15,419)	-	(7,125)	(22,544)
Revaluations	150,000	-	-	564,001	714,001
At 30 November 2005	1,505,287	249,988	11,508	1,188,525	2,955,308
DEPRECIATION					
At 1 December 2004	-	182,669	5,440	251,472	439,581
Charge for year	-	14,135	2,877	44,582	61,594
Eliminated on disposal	-	(5,835)	-	(4,197)	(10,032)
Revaluation adjustments	-	-	-	16,450	16,450
At 30 November 2005	-	190,969	8,317	308,307	507,593
NET BOOK VALUE					
At 30 November 2005	1,505,287	59,019	3,191	880,218	2,447,715
At 30 November 2004	1,355,287	70,025	6,068	122,757	1,554,137

Cost or valuation at 30 November 2005 is represented by:

	Freehold property £	Fixtures & Fittings £	Motor vehicles £	Computer equipment £	Totals £
Valuation in 2001	94,519	-	-	-	94,519
Valuation in 2002	45,177	-	-	-	45,177
Valuation in 2003	21,461	-	-	-	21,461
Valuation in 2004	57,303	-	-	-	57,303
Valuation in 2005	150,000	-	-	564,001	714,001
Cost	1,136,827	249,988	11,508	624,524	2,022,847
	1,505,287	249,988	11,508	1,188,525	2,955,308

PROTECTAGROUP HOLDINGS LIMITED

Notes to the Financial Statements - continued
for the year ended 30 November 2005

10. TANGIBLE FIXED ASSETS - continued

Group

If the freehold properties had not been revalued they would have been included at the following historical cost:

	2005	2004
	£	£
Cost	<u>1,136,827</u>	<u>1,136,827</u>

Freehold properties were valued on an open market basis by the Group directors on 30 November 2005 based on professional advice.

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Computer equipment £
COST OR VALUATION	
At 1 December 2004 and 30 November 2005	<u>253,082</u>
DEPRECIATION	
At 1 December 2004	167,034
Charge for year	<u>21,512</u>
At 30 November 2005	<u>188,546</u>
NET BOOK VALUE	
At 30 November 2005	<u>64,536</u>
At 30 November 2004	<u>86,048</u>

Freehold properties were valued on an open market basis by the group directors on 30 November 2005 based on professional advice.

PROTECTAGROUP HOLDINGS LIMITED
PREVIOUSLY KNOWN AS ONE ONE ONE LIMITED

Notes to the Financial Statements - continued
for the year ended 30 November 2005

11. FIXED ASSET INVESTMENTS

Company

COST

At 1 December 2004
and 30 November 2005

Shares in
group
undertakings
£

4,959,585

NET BOOK VALUE

At 30 November 2005

4,959,585

At 30 November 2004

4,959,585

The company's investments at the balance sheet date in the share capital of its subsidiaries include the following:

Subsidiaries

Protectagroup Limited

Nature of business: Insurance Services

Class of shares: %
£1 Ordinary Shares holding
100.00

Aggregate capital and reserves
Profit/(Loss) for the year

2005	2004
£	£
205,636	50,471
<u>411,116</u>	<u>(151,306)</u>

The company purchased the entire share capital of Protectagroup Limited on 6th October 2004. Protectagroup Limited is the parent company of all the following subsidiary companies.

Motaquote Insurance Brokers Limited

Nature of business: Insurance Services

Class of shares: %
£1 Ordinary Shares holding
100.00

Aggregate capital and reserves
Profit/(Loss) for the year

2005	2004
£	£
380,564	266,648
<u>256,536</u>	<u>(387,417)</u>

PROTECTAGROUP HOLDINGS LIMITED
PREVIOUSLY KNOWN AS ONE ONE ONE LIMITED

Notes to the Financial Statements - continued
for the year ended 30 November 2005

11. FIXED ASSET INVESTMENTS - continued

Direct Insure Limited

Nature of business: Insurance Services

Class of shares:	% holding		
£1 Ordinary Shares	100.00		
		2005	2004
		£	£
Aggregate capital and reserves		546,481	(14,024)
Profit/(Loss) for the year		<u>185,214</u>	<u>(60,278)</u>

Commercial Insure Limited

Nature of business: Insurance Services

Class of shares:	% holding		
£1 Ordinary Shares	100.00		
		2005	2004
		£	£
Aggregate capital and reserves		23,946	(23,783)
Profit/(Loss) for the year		<u>47,729</u>	<u>(103,431)</u>

Motaquote Insurance Services Limited

Nature of business: Dormant

Class of shares:	% holding		
£1 Ordinary Shares	100.00		
		2005	2004
		£	£
Aggregate capital and reserves		<u>100</u>	<u>100</u>

A Motaquote Direct Limited

Nature of business: Dormant

Class of shares:	% holding		
£1 Ordinary shares	100.00		
		2005	2004
		£	£
Aggregate capital and reserves		<u>100</u>	<u>100</u>

PROTECTAGROUP HOLDINGS LIMITED
PREVIOUSLY KNOWN AS ONE ONE ONE LIMITED

Notes to the Financial Statements - continued
for the year ended 30 November 2005

11. FIXED ASSET INVESTMENTS - continued

MQ Commercial Services Limited

Nature of business: Dormant

	% holding	2005 £	2004 £
Class of shares:			
£1 Ordinary Shares	100.00		
Aggregate capital and reserves		<u>100</u>	<u>100</u>

Protectagroup Club Card Limited

Nature of business: Breakdown recovery

	% holding	2005 £
Class of shares:		
£1 ordinary shares	100.00	
Aggregate capital and reserves		<u>32,050</u>
Profit for the year		<u>32,049</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2005 £	2004 £	2005 £	2004 £
Trade debtors	1,389,878	1,789,685	-	-
Other debtors	574,959	13,408	24,034	-
Directors' current accounts	64,833	258,410	51,400	-
Tax	-	98,864	-	-
Prepayments and accrued income	<u>43,093</u>	<u>8,050</u>	<u>-</u>	<u>-</u>
	<u>2,072,763</u>	<u>2,168,417</u>	<u>75,434</u>	<u>-</u>

PROTECTAGROUP HOLDINGS LIMITED

Notes to the Financial Statements - continued
for the year ended 30 November 2005

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Bank loans and overdrafts (see note 15)	616,461	1,123,783	334,937	325,000
Other loans (see note 15)	42,000	42,000	42,000	42,000
Hire purchase contracts (see note 16)	648	49,283	-	-
Trade creditors	2,148,934	1,979,563	-	21,940
Amounts owed to group undertakings	-	-	456,774	80,552
Corporation tax	55,336	-	-	-
Social security and other taxes	62,326	91,647	-	-
VAT	6,779	119,120	-	-
Other creditors	136,862	62,158	-	-
Wages control account	103	12	-	-
Deferred consideration	65,340	-	-	-
Accruals and deferred income	351,894	87,264	10,120	-
Accrued expenses	522	170	-	-
	<u>3,487,205</u>	<u>3,555,000</u>	<u>843,831</u>	<u>469,492</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Bank loans (see note 15)	2,196,503	2,222,592	321,770	639,407
Other loans (see note 15)	1,741,033	1,768,033	1,741,033	1,768,033
Other creditors	1,170,888	-	-	-
Other creditors	-	2,917	-	-
	<u>5,108,424</u>	<u>3,993,542</u>	<u>2,062,803</u>	<u>2,407,440</u>

PROTECTAGROUP HOLDINGS LIMITED

Notes to the Financial Statements - continued for the year ended 30 November 2005

15. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	218,883	756,783	9,937	-
Bank loans	397,578	367,000	325,000	325,000
Loan notes due within one year	42,000	42,000	42,000	42,000
	<u>658,461</u>	<u>1,165,783</u>	<u>376,937</u>	<u>367,000</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>607,131</u>	<u>748,629</u>	<u>321,770</u>	<u>639,407</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	474,450	327,667	-	-
Loan notes after one year	<u>1,741,033</u>	<u>1,768,033</u>	<u>1,741,033</u>	<u>1,768,033</u>
	<u>2,215,483</u>	<u>2,095,700</u>	<u>1,741,033</u>	<u>1,768,033</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans due in more than 5 years	<u>1,114,922</u>	<u>1,146,296</u>	-	-
	<u>1,114,922</u>	<u>1,146,296</u>	-	-

16. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

Group

	Hire purchase contracts	
	2005	2004
	£	£
Net obligations repayable:		
Within one year	<u>648</u>	<u>49,283</u>

PROTECTAGROUP HOLDINGS LIMITED**Notes to the Financial Statements - continued
for the year ended 30 November 2005****16. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued**

The following operating lease payments are committed to be paid within one year:

Group

	Other operating leases	
	2005	2004
	£	£
Expiring:		
Within one year	86,423	86,423
Between one and five years	67,256	120,051
In more than five years	11,481	45,109
	<u>165,160</u>	<u>251,583</u>

17. MINORITY INTERESTS

The company sold its shareholding in Indemnity UK Limited on 31 May 2005.

18. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2005	2004
			£	£
1,000,000	Ordinary	£1	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2005	2004
			£	£
500,000	Ordinary	£1	<u>500,000</u>	<u>500,000</u>

PROTECTAGROUP HOLDINGS LIMITED

Notes to the Financial Statements - continued
for the year ended 30 November 2005

19. RESERVES

Group

	Profit and loss account £	Share premium £	Revaluation reserve £	Totals £
At 1 December 2004	(200,162)	1,628,000	218,460	1,646,298
Retained profit for the year	96,472			96,472
Property revaluation	-	-	714,001	714,001
Depreciation on revalued properties	-	-	(16,450)	(16,450)
Disposal of subsidiary	223,787	-	-	223,787
At 30 November 2005	<u>120,097</u>	<u>1,628,000</u>	<u>916,011</u>	<u>2,664,108</u>

Company

	Profit and loss account £	Share premium £	Totals £
At 1 December 2004	(41,417)	1,628,000	1,586,583
Retained profit for the year	41,802		41,802
At 30 November 2005	<u>385</u>	<u>1,628,000</u>	<u>1,628,385</u>

20. CONTINGENT LIABILITIES

The company had potential liabilities at 30 November 2005 under the terms of a cross guarantee given in respect of bank borrowings of all Protectagroup Holdings Limited group members. Any liability that might arise in the future under the terms of the guarantee would be limited to the extent that the bankers might be unable to recover the full amount of the debt due to them out of the assets of Protectagroup Holdings Limited against which the debts are primarily secured. Subject to the group continuing to comply with the banks terms of borrowing no liability will crystallise.

PROTECTAGROUP HOLDINGS LIMITED

Notes to the Financial Statements - continued for the year ended 30 November 2005

21. TRANSACTIONS WITH DIRECTORS

The following loan to directors subsisted during the year ended 30 November 2005:

	£
P R Ragan	
Balance outstanding at start of year	101,004
Balance outstanding at end of year	64,828
Maximum balance outstanding during year	<u>257,004</u>

22. RELATED PARTY DISCLOSURES

Included in other debtors as at 30 November 2005 are amounts due from the following associated companies:

	2005 £	2004 £
Indemnity (UK) Limited	409,107	495,687
Ambassador Business & Computers Limited	25,000	-
Arcadia Building Services Limited	5,000	-

These companies are associated by their common shareholdings.

23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group	2005 £	2004 £
Profit/(Loss) for the financial year	252,472	(200,162)
Dividends	<u>(156,000)</u>	-
	96,472	(200,162)
Other recognised gains and losses relating to the year (net)	697,551	47,719
Disposal of subsidiary	223,787	-
Issued share capital	-	2,128,000
Revaluation reserve acquired group	-	<u>170,741</u>
Net addition to shareholders' funds	1,017,810	2,146,298
Opening shareholders' funds	<u>2,146,298</u>	-
Closing shareholders' funds	<u>3,164,108</u>	<u>2,146,298</u>
 Equity interests	 <u>3,164,108</u>	 <u>2,146,298</u>

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Notes to the Financial Statements - continued
for the year ended 30 November 2005

23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS - continued

Company	2005	2004
	£	£
Profit/(Loss) for the financial year	197,802	(41,417)
Dividends	(156,000)	-
	41,802	(41,417)
Issued share capital	-	2,128,000
Net addition to shareholders' funds	41,802	2,086,583
Opening shareholders' funds	2,086,583	-
Closing shareholders' funds	2,128,385	2,086,583
	2,128,385	2,086,583
Equity interests	2,128,385	2,086,583