

Preston Insurance Associates Ltd

**Company Number:
163957**

FINANCIAL STATEMENTS

- for the year ended -

**30th June 1999
Preston Insurance Associates Ltd**

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COMPANIES HOUSE 17/01/00

Directors

Brinley J Williams
Stuart W Aitchison
James T Hancock

Secretary

James T Hancock

Business Address

5a Giles Street
Leith
Edinburgh
EH6 6DJ

Registered Office

5a Giles Street
Leith
Edinburgh
EH6 6DJ

Accountants

The Business Base
36 Market Street
Haddington
East Lothian
EH41 3JE

Preston Insurance Associates Ltd
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FOR THE PERIOD ENDED 30th JUNE 1999

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Preston Insurance Associates Ltd

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the period ended 30th June 1999

PRINCIPAL ACTIVITIES

The company's principal activity during the period was that of General Insurance Brokers.

DIRECTORS AND THEIR INTERESTS

The directors at the balance sheet date and their interests in the company at that date and at the beginning of the year (or on appointment, if later), were as follows:

<u>Director</u>		<u>Number of Shares</u>	
		<u>1999</u>	<u>1998</u>
Brinley J Williams	Ordinary Shares	40	25
Stuart W Aitchison	Ordinary Shares	20	25
James T Hancock	Ordinary Shares	40	25

CLOSE COMPANY

The company is a close company as defined by the Income and Corporation Taxes Act 1988.

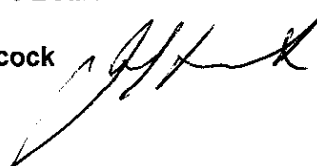
SMALL COMPANY DISCLOSURE

In preparing this report, the directors have taken advantage of the special exemptions applicable to small companies on the grounds that the company is small.

By Order of the Board

Date: 15th September 1999

**James T Hancock
Secretary**



Preston Insurance Associates Ltd

**Accountants' Report to the Shareholders on the Unaudited Financial Statements of
Preston Insurance Associates Ltd**

As described on pages 1 and 2 you are responsible for the preparation of the accounts and you consider that the company is exempt from an audit. In accordance with your instructions and in order to assist you to fulfill your responsibilities, we have prepared the accounts for the period ended 30 June 1999 on pages 5 to 12 from the accounting records and from the information and explanations supplied to us. We have not carried out an audit.

The Business Base
20/12/1999

Preston Insurance Associates Ltd

Profit and Loss Account for the Period Ended
30th June 1999

	Notes	1999 £	1998 £
TURNOVER	1	117,308	153,111
Cost of sales		<u>121</u>	<u>290</u>
GROSS PROFIT		117,187	152,821
Administrative Expenses		<u>120,490</u>	<u>141,436</u>
OPERATING PROFIT	2 -	3,304	11,384
Interest receivable		103	
Interest payable		<u>589</u>	<u>1,502</u>
PROFIT/-LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	-	3,790	9,883
Tax on profit/-loss on ordinary activities		<u>-</u>	<u>2,740</u>
PROFIT/-LOSS FOR THE FINANCIAL YEAR	9 -	<u>3,790</u>	<u>7,143</u>

All of the company's activities were acquired on 7th March 1996

The company has no recognised gains or losses other than those dealt with in the profit and loss account.

The notes on pages 9 to 12 form part of these financial statements.

Preston Insurance Associates Ltd

Balance Sheet as at
30th June 1999

	Notes	1999		1998	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	3		9,242	6,822	
CURRENT ASSETS					
Other Debtors		2,151		2,151	
Intangible Assets	4	8,555		12,833	
		<u>10,706</u>		<u>14,983</u>	
CREDITORS: Amounts falling due within one year	5	<u>15,002</u>		<u>12,820</u>	
NET CURRENT ASSETS			<u>- 4,297</u>		<u>2,164</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,945		8,985
CREDITORS: Amounts falling due after more than one year	6		<u>5,500</u>		<u>5,750</u>
			<u>- 555</u>		<u>3,235</u>
CAPITAL AND RESERVES					
Called up share capital	7		100		75
Profit and loss account	8		<u>- 630</u>		<u>3,160</u>
			<u>- 530</u>		<u>3,235</u>

The statements required to be made by the company's directors and the signature required by the Companies Act 1985 are given on the following page.

The notes on pages 9 to 12 form part of these financial statements.

Preston Insurance Associates Ltd

Balance Sheet (continued)

30th June 1999

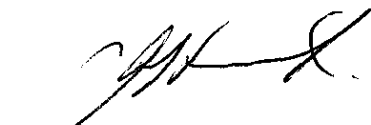
The directors have taken advantage of the exemption conferred by section 249A(1) not to have these financial statements audited and confirm that no notice has been deposited under section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for ensuring that:

- i. The company keeps accounting records which comply with section 221 of the Companies Act 1985;
- ii. The financial statements give a true and fair view of the state of affairs of the company as at 30th June 1999 and of its profit or loss for the year then ended 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 it is applicable to the company.

In preparing these financial statements, the directors have taken advantage of the special exemptions applicable to small companies on the grounds that the company is small.

The financial statements were approved by the board on
15th September 1999
and signed on its behalf by



James T Hancock

Director

The notes on pages 9 to 12 form part of these financial statements.

Preston Insurance Associates Ltd

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30th June 1999

1 ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

1.2 TURNOVER

Turnover represents the total invoice value of goods sold and services rendered during the period.

1.3 DEPRECIATION

Depreciation is provided using the rates to reduce by annual instalments the cost, less estimated residual value, of the tangible assets over their estimated useful lives:

Plant and Machinery	25% Straight Line
Fixtures and Fittings	25% Straight Line
Motor Vehicles	25% Straight Line

1.4 STOCKS

Stocks are valued at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

1.5 DEFERRED TAXATION

Deferred taxation is provided where there is a reasonable probability of the amount becoming payable in the foreseeable future.

1.6 LEASING AND HIRE PURCHASE

Assets acquired under finance leases or hire purchase contracts are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Finance charges and interest are taken to the profit and loss account in constant proportion to the remaining balance of capital repayments of net obligations outstanding.

Rentals payable under operating leases are taken to the profit and loss account on a straight line basis.

2 OPERATING PROFIT

The operating profit is stated after charging:

Depreciation	3,082	2,274
Amortisation of Goodwill	4,278	4,278
	<u>7,360</u>	<u>6,551</u>

Preston Insurance Associates Ltd

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30th June 1999

	1999 Plant and Machinery etc £	1998 Plant and Machinery etc £
3 TANGIBLE ASSETS		
<u>Cost</u>		
1st July 1998	12,127	12,127
Additions	5,502	-
	<hr/>	<hr/>
30th June 1999	17,629	12,127
	<hr/>	<hr/>
<u>Depreciation</u>		
1st July 1998	5,306	3,032
Charge for year	3,081	2,274
	<hr/>	<hr/>
30th June 1999	8,387	5,306
	<hr/>	<hr/>
<u>Net book value at</u>		
<u>30th June 1999</u>	<u>9,242</u>	<u>6,821</u>
	<hr/>	<hr/>
4 INTANGIBLE ASSETS		
Goodwill	17,110	17,110
Amortisation of Goodwill	- 8,555	- 4,278
Net value at 30th June 1999	<hr/> 8,555	<hr/> 12,833

Preston Insurance Associates Ltd

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30th June 1999

5 CREDITORS: Amounts falling due within one year	1999 £	1998 £
Bank overdrafts	10,096	6,086
Trade creditors	-	-
Other creditors	4,907	3,991
	<u>15,002</u>	<u>10,077</u>
6 CREDITORS: Amounts falling due after more than one year	1999 £	1998 £
Directors' Loans	-	-
Other creditors	5,500	5,750
	<u>5,500</u>	<u>5,750</u>
7 SHARE CAPITAL	1999 £	1998 £
<u>Authorised</u>		
Equity Interests:		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<u>Allotted, called up and fully paid</u>		
Equity Interests:		
75 Ordinary shares of £1 each	<u>100</u>	<u>75</u>

Preston Insurance Associates Ltd

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30th June 1999

8 PROFIT AND LOSS ACCOUNT

	1999		1998
	£		£
Accumulated profit at 1st July 1998	3,160	-	3,983
Profit/(Loss) for the financial year	- 3,790		7,143
Accumulated Profits at 30th June 1999	- 630		3,160

Preston Insurance Associates
Accounts for the year to 30th June 1999

1998		1999
153,111.06	Commissions and Other Income	117,410.33
84,533.27	Salaries	70,288.42
24,465.74	Rent & Rates	23,287.31
10,297.54	Leasing	6,889.75
307.74	Visa Charges	-
3,313.30	Telephone	2,570.80
2,082.96	Heat & Light	2,018.17
1,286.02	Postage & Stationery	3,969.38
290.39	Introducer Commissions	121.02
2,978.77	Insurance & PI	689.35
500.25	Repairs & Maintenance	950.31
4,605.49	Bank Charges	1,833.57
352.50	Accountancy	528.75
161.29	Sundries	105.33
2,273.88	Depreciation	3,081.67
4,277.50	Amortisation of Goodwill	4,277.50
	Bank Interest	463.95
1,501.80	Loan Interest	125.00
143,228.44		121,200.28
9,882.62	Net Profit	- 3,789.95
2,743.00	Corporation Tax	-
7,139.62	Profit after Tax	- 3,789.95

Preston Insurance Associates
Accounts for the year to 30th June 1999
Balance Sheet as at 30.6.99

Fixed Assets			
12,127.37	Fixed Assets		17,629.39
- 5,305.72	Depreciation to date	-	8,387.39
2,150.88	Director Loan		2,150.88
12,832.50	Goodwill		8,555.00
21,805.03			19,947.88
Current Liabilities			
8,750.00	Loan (Charles)		8,500.00
6,085.76	Bank Current Account		10,095.57
2,743.00	Other Creditors		-
990.87	PAYE Creditor		1,906.86
18,569.63			20,502.43
3,235.40	Net Assets	-	554.55
Financed by:			
3,979.22	b/f	-	3,160.40
- 75.00	Share Capital	-	75.00
- 7,139.62	Profit for the period		3,789.95
- 3,235.40			554.55