

WYEDEAN INSURANCE SERVICES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 1986



WYDEAN INSURANCE SERVICES LIMITED

YEAR ENDED 30 APRIL 1986

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WYEDEAN INSURANCE SERVICES LIMITED

OFFICERS, ADDRESSES AND GENERAL INFORMATION

30 APRIL 1986

BOARD OF DIRECTORS: Brian Jon Barnard, F.I.I.C. (Chairman)  
James Francis Knipe, F.C.A., F.C.C.A.  
(Managing Director)

COMPANY SECRETARY: Mrs Christine Ann Barnard

REGISTERED OFFICE: Wyedean House  
27 Gloucester Road  
Ross-on-Wye  
Herefordshire

AUDITORS: Moore Scott & Co.,  
Chartered Accountants  
Crescent Chambers  
Llandrindod Wells  
Powys

BANKERS: National Westminster Bank P.L.C.  
Market Place  
Ross-on-Wye  
Herefordshire

ADMINISTRATIVE OFFICE: Wyedean House  
27 Gloucester Road  
Ross-on-Wye  
Herefordshire

REGISTERED NUMBER: 1649818

# WYEDEAN INSURANCE SERVICES LIMITED

## DIRECTORS' REPORT

The Directors submit their Report together with the audited Financial Statements of the company for the year ended 30 April 1986.

### Results and Dividends

The trading loss for the year, after taxation amounted to £825. The directors do not recommend the payment of a final ordinary dividend.

### Review of the Business

The principal activity of the company during the accounting year remained that of insurance brokers. Results for the year were generally disappointing. Despite substantial growth in General insurance business, income from Life and Pensions reduced considerably. Nevertheless the overall trend since 30 April 1986 is most encouraging and steps are being taken to improve the return on Life and Pensions business.

### Fixed Assets

The changes in Fixed Assets during the year are summarised in the notes to the financial statements.

### Directors and their Interests

The directors at 30 April 1986 and their interests in the share capital of the company were as follows:-

	<u>Ordinary Shares</u>	
	<u>30 April 1986</u>	<u>1 May 1985</u>
B. J. Barnard	55	55
J. F. Knipe	20	20
	<u>      </u>	<u>      </u>

### Charitable and Political Contributions

During the accounting year under review the company did not make any material charitable or political contributions.

### Close Company

The company is a close company within the provisions of the Income and Corporation Taxes Act 1970.

### Auditors

A resolution to re-appoint Moore Scott & Co. as auditors will be put to the members at the Annual General Meeting.

By Order of the Board

C. A. Barnard

Secretary

REPORT OF THE AUDITORS

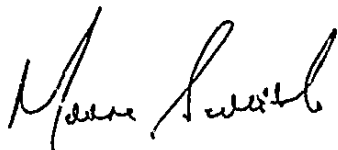
YEAR ENDED 30 APRIL 1986

TO THE MEMBERS OF WYEDEAN INSURANCE SERVICES LIMITED

We have audited the Financial Statements on Pages 4 to 10 in accordance with approved auditing standards having regard to the matters referred to in the following paragraphs.

In common with many businesses of similar size and organisation the company's system of control is dependent upon the close involvement of the directors (who are major shareholders). Where independent confirmation of the completeness of the accounting records was therefore not available, we have accepted assurances from the directors that all the company's transactions have been reflected in the records.

Subject to the foregoing, in our opinion the Financial Statements, which have been prepared under the historic cost convention, give a true and fair view of the state of the company's affairs at 30 April 1986 and of its loss for the year ended on that date and comply with the Companies Act 1985 in so far as the provisions of that Act apply to these Financial Statements.



Moore Scott & Co  
Chartered Accountants  
Crescent Chambers  
Llandrindod Wells  
Powys

Date: 24 October 1986

WYEDEAN INSURANCE SERVICES LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 APRIL 1986

				<u>Y.E. 30.4.85</u>	
	<u>Notes</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>Turnover</u>	2		18,119		18,482
Establishment costs		400		440	
Administrative expenses		<u>19,025</u>	<u>19,425</u>	<u>17,966</u>	<u>18,406</u>
<u>Operating (Loss)/Profit</u>	3		(1,306)		76
Interest receivable		561		187	
Interest payable		<u>(80)</u>	<u>481</u>	<u>(59)</u>	<u>128</u>
<u>(Loss)/Profit on ordinary activities before taxation</u>			(825)		204
Tax on profit on ordinary activities	9		<u>NIL</u>		<u>141</u>
<u>(Loss)/Profit on ordinary activities after taxation</u>			(825)		63
Extraordinary items after taxation			<u>NIL</u>		<u>NIL</u>
<u>(Loss)/Profit for the financial year</u>			(825)		63
Dividends	5		<u>NIL</u>		<u>NIL</u>
			(825)		63
Retained profit brought forward			<u>1,795</u>		<u>1,732</u>
<u>Retained profit carried forward</u>			970		1,795
			<u>      </u>		<u>      </u>

The notes on pages 7 to 10 form part of these financial statements.

WYEDEAN INSURANCE SERVICES LIMITED

BALANCE SHEET

30 APRIL 1986

				<u>30.4.85</u>	
	<u>Notes</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
TANGIBLE FIXED ASSETS	10		1,363		1,591
CURRENT ASSETS					
Debtors	6	1,498		1,502	
Cash at bank - Clients Account		11,169		8,590	
Cash at bank and in hand - Office Account		<u>11</u>		<u>570</u>	
		12,678		10,662	
CREDITORS: amounts falling due within one year	7	<u>12,951</u>		<u>10,338</u>	
NET CURRENT (LIABILITIES)/ASSETS			(273)		324
TOTAL ASSETS LESS CURRENT LIABILITIES			1,090		1,915
CREDITORS: amounts falling due after more than one year		NIL		NIL	
PROVISION FOR LIABILITIES AND CHARGES		NIL		NIL	
ACCRUALS AND DEFERRED INCOME		<u>NIL</u>	NIL	<u>NIL</u>	NIL
			<u>1,090</u>		<u>1,915</u>
CAPITAL AND RESERVES					
Called up Share Capital	8		120		120
Profit and Loss Account			970		1,795
			<u>1,090</u>		<u>1,915</u>

*B. J. B...*  
*James F. Kir...*  
 .....  
 ..... } DIRECTORS

Dated: 24 October 1986

The notes on pages 7 to 10 form part of these financial statements.

WYEDEAN INSURANCE SERVICES LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

YEAR END 30 APRIL 1986

	<u>£</u>	<u>£</u>	<u>Y.E.30.4.85</u>	<u>£</u>
SOURCE OF FUNDS:				
(Loss)/Profit on ordinary activities before taxation		(825)		204
Adjustments for items not involving the movement of funds:-				
Depreciation		<u>340</u>		<u>397</u>
TOTAL GENERATED FROM OPERATIONS		(485)		601
FUNDS FROM OTHER SOURCES		<u>NIL</u>		<u>NIL</u>
		(485)		601
APPLICATION OF FUNDS:				
Purchase of Tangible Fixed Assets	112		740	
Corporation Tax paid	<u>57</u>	(169)	<u>124</u>	(864)
WORKING CAPITAL - INCREASE/(DECREASE)		(654)		(263)
COMPONENTS OF INCREASE/(DECREASE) IN WORKING CAPITAL				
Debtors	4		(1,080)	
Creditors (excluding Taxation)	(19)		397	
Monies held on behalf of Client.	<u>2,579</u>		<u>5,009</u>	
		2,564		4,326
MOVEMENT IN NET LIQUID FUNDS:				
Cash at Bank - Office Account	677		932	
- Clients Account	(2,579)		(4,992)	
Cash in Hand	<u>(8)</u>	(1,910)	<u>(3)</u>	(4,063)
		654		263

The notes on pages 7 to 10 form part of these financial statements.



WYEDEAN INSURANCE SERVICES LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 30 APRIL 1986

1. ACCOUNTING POLICIES

Basis of Accounting

The Financial Statements have been prepared under the historic cost convention.

Deferred Taxation

No provision has been made in the Financial Statements for taxation deferred by reason of capital allowances exceeding depreciation as it is considered by the directors that no liability to taxation will arise in the foreseeable future as a result of a reversal of these timing differences.

Advertising and Promotion

Advertising costs are written off as incurred.

Value Added Tax

Items in the Financial Statements are shown inclusive of Value Added Tax as the company is not registered for V.A.T. purposes.

Commissions

Credit is taken for commissions in respect of life and pension business transacted by reference to the date on which the first policy premium is paid.

Credit is taken for commissions in respect of general business transacted by reference to the date on which the net premium is remitted to the insurance company concerned. This date will normally follow closely upon the issue by the insurance company of its periodical statement of account.

2. TURNOVER

Turnover represents the total gross value of services provided (mainly commissions) less any proportion rebated to third party intermediaries. Turnover does not include income from outside the United Kingdom. Turnover can be analysed as follows:-

	<u>1986</u>	<u>1985</u>
	<u>£</u>	<u>£</u>
Commission - Life and Pension business	2,639	8,425
Commission - General business	15,480	7,972
Other Fees and Commission	<u>-</u>	<u>2,085</u>
	<u>18,119</u>	<u>18,482</u>

WYEDEAN INSURANCE SERVICES LIMITED

NOTES TO THE ACCOUNT (CONT)

YEAR ENDED 30 APRIL 1986

3.	<u>OPERATING (LOSS)/PROFIT</u>	<u>1986</u>	<u>1985</u>
	This is stated after charging:	<u>£</u>	<u>£</u>
	Directors' Remuneration	NIL	560
	Directors' Fees	NIL	NIL
	Directors' Pension Contributions	NIL	NIL
	Auditors Remuneration	236	104
	Depreciation	<u>340</u>	<u>397</u>
4.	<u>STAFF COSTS (including Directors)</u>	<u>1986</u>	<u>1985</u>
		<u>£</u>	<u>£</u>
	Wages and Salaries	11,615	10,200
	Social Security Costs	1,000	902
	Other Pension Costs	-	-
		<u>12,615</u>	<u>11,102</u>
5.	<u>DIVIDENDS</u>		
	Ordinary - interim paid	-	-
	- final proposed	-	-
		<u>-</u>	<u>-</u>
6.	<u>DEBTORS</u>		
	Trade Debtors	448	1,078
	Other Debtors	800	424
	Prepayments	250	-
		<u>1,498</u>	<u>1,502</u>
7.	<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>		
	Monies held on behalf of Clients	11,169	8,590
	Trade Creditors	526	531
	Current Corporation Tax (Note 9)	-	57
	Other Taxes and Social Security Costs	261	636
	Accruals	885	524
	Bank Overdraft	<u>110</u>	<u>-</u>
		<u>12,951</u>	<u>10,338</u>
8.	<u>SHARE CAPITAL</u>		
		<u>Authorised No.</u>	<u>Allotted, called up and fully paid</u>
	Ordinary Shares of £1 each	<u>50,000</u>	<u>120</u>

# WYEDEAN INSURANCE SERVICES LIMITED

## NOTES TO THE ACCOUNTS (CONT)

YEAR ENDED 30 APRIL 1986

9.	<u>TAX ON PROFIT ON ORDINARY ACTIVITIES</u>	<u>1986</u>	<u>1985</u>	
		<u>£</u>	<u>£</u>	
	U.K. Corporation Tax at 30% based on losses/(profits) for the year ended 30 April 1986 (1985)	-	57	
	Underprovided in respect of previous accounting period	<u>-</u>	<u>84</u>	
		<u>NIL</u>	<u>141</u>	
		<u>      </u>	<u>      </u>	
10.	<u>TANGIBLE FIXED ASSETS</u>	<u>Computer</u>	<u>Other Office</u>	
		<u>Equipment</u>	<u>Equipment</u>	<u>Total</u>
		<u>£</u>	<u>£</u>	<u>£</u>
	<u>Cost:</u>			
	At 1 May 1985	1,558	742	2,300
	Additions	<u>-</u>	<u>112</u>	<u>112</u>
	At 30 April 1986	<u>1,558</u>	<u>854</u>	<u>2,412</u>
	<u>Depreciation:</u>			
	At 1 May 1985	476	233	709
	Provided during year	<u>216</u>	<u>124</u>	<u>340</u>
	At 30 April 1986	<u>692</u>	<u>357</u>	<u>1,049</u>
	<u>Net Book Value:</u>			
	At 30 April 1986	<u>866</u>	<u>497</u>	<u>1,363</u>
	At 1 May 1985	<u>1,082</u>	<u>509</u>	<u>1,591</u>

Depreciation is calculated at 20% on the "reducing balance" method.

11. <u>COMMITMENTS FOR CAPITAL EXPENDITURE</u>		<u>£</u>	<u>£</u>
Contracts placed but not provided in the Financial Statements		NIL	NIL
Authorised but not contracted for		<u>NIL</u>	<u>NIL</u>

## 12. CONTINGENT LIABILITIES

Life and pensions business is transacted on an "Indemnity" basis. This means that the full commission is remitted to the company upon payment by the client of the first policy premium. Thus there is a contingent liability at all times in respect of commission on policies which are lapsed or otherwise cancelled prior to the payment in full of the first years premiums by the clients.

There are no other contingent liabilities at the Balance Sheet date so far as the directors are aware.

WYEDEAN INSURANCE SERVICES LIMITED

NOTES TO THE ACCOUNTS (CONT)

YEAR ENDED 30 APRIL 1986

13. DIRECTORS' INTEREST IN CONTRACTS WITH COMPANY

No director is or was materially interested in any contract subsisting during or at the end of the financial period which is or was significant in relation to the company's business.

14. DIRECTORS' APPROVAL

The Financial Statements for the year ended 30 April 1986 were approved by the Directors on 23 October 1986 for presentation to the members at the forthcoming Annual General Meeting.