

REGISTERED NUMBER: 1262636 (England and Wales)

Abbreviated Financial Statements for the Year Ended 31 December 1996

for

Northern Marine Underwriters Limited



Northern Marine Underwriters Limited

**Index to the Abbreviated Financial Statements
for the Year Ended 31 December 1996**

	Page
Company Information	1
Report of the Auditors on the Abbreviated Financial Statements	2
Abbreviated Balance Sheet	3
Notes to the Abbreviated Financial Statements	4

Northern Marine Underwriters Limited

**Company Information
for the Year Ended 31 December 1996**

DIRECTORS: L N Dobby
J G J Sheehy

SECRETARY: P Dickinson

REGISTERED OFFICE: Goodbard House
Infirmery Street
Leeds
West Yorkshire
LS1 2JP

REGISTERED NUMBER: 1262636 (England and Wales)

AUDITORS: Jonathan S White & Company
Certified Accountants
& Registered Auditors
5 Moseley Wood Lane
Cookridge
Leeds
LS16 7ER

Northern Marine Underwriters Limited

**Report of the Auditors to
Northern Marine Underwriters Limited
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages three to five, together with the full financial statements of the company for the year ended 31 December 1996 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

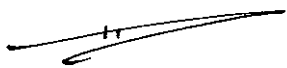
Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to five are properly prepared in accordance with those provisions.

Jonathan S White & Company
Certified Accountants
& Registered Auditors
5 Moseley Wood Lane
Cookridge
Leeds
LS16 7ER

Jonathan S White


Dated: 25 July 1997

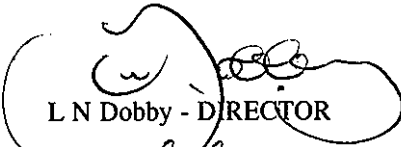
Northern Marine Underwriters Limited


Abbreviated Balance Sheet
31 December 1996

		31.12.96		31.12.95	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		110,026		100,059
CURRENT ASSETS:					
Debtors		755,254		767,697	
Cash at bank		209,789		208,687	
		<u>965,043</u>		<u>976,384</u>	
CREDITORS: Amounts falling due within one year		<u>970,360</u>		<u>974,394</u>	
NET CURRENT (LIABILITIES)/ASSETS:			<u>(5,317)</u>		<u>1,990</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			104,709		102,049
CREDITORS: Amounts falling due after more than one year			<u>11,503</u>		<u>12,808</u>
			<u>£93,206</u>		<u>£89,241</u>
CAPITAL AND RESERVES:					
Called up share capital	3		5,000		5,000
Profit and loss account			88,206		84,241
Shareholders' funds			<u>£93,206</u>		<u>£89,241</u>

These abbreviated financial statements have 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:


L N Dobby - DIRECTOR


J G SHEEHY - DIRECTOR

Approved by the Board on 22 July 1997

The notes form part of these financial statements

Northern Marine Underwriters Limited

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 December 1996**

i. ACCOUNTING POLICIES

Accounting convention

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

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

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

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.

Leasehold Improvements	- Straight Line over Lease Period
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pensions

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

Northern Marine Underwriters Limited

Notes to the Abbreviated Financial Statements for the Year Ended 31 December 1996

2. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 January 1996	180,249
Additions	43,806
Disposals	(15,384)
	<u>208,671</u>
At 31 December 1996	<u>208,671</u>
DEPRECIATION:	
At 1 January 1996	80,190
Charge for year	25,929
Eliminated on disposals	(7,474)
	<u>98,645</u>
At 31 December 1996	<u>98,645</u>
NET BOOK VALUE:	
At 31 December 1996	<u>110,026</u>
At 31 December 1995	<u>100,059</u>

3. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.96 £	31.12.95 £
5,000	Ordinary "A"	£1	5,000	2,750
0	Ordinary "B"	£1	-	2,250
			<u>5,000</u>	<u>5,000</u>

On the 22nd August 1996 the B Class Ordinary shares were converted to A Class Ordinary shares prior to the entire share capital of the company being acquired by NMU (Holdings) Limited.

4. ULTIMATE PARENT COMPANY

The ultimate parent company is NMU (Holdings) Limited, a company which was incorporated in England & Wales on the 12th August 1996. NMU (Holdings) Ltd acquired the entire issued share capital of Northern Marine Underwriters Limited on the 22nd August 1996.

5. TRANSACTIONS WITH DIRECTORS

On the 22nd August 1996 the directors sold their shareholdings in the company to NMU (Holdings) Limited. Prior to this sale the B Class shares held by Leslie Neil Dobby and John Gerard Joseph Sheehy were converted into A Class shares. The shares held were then exchanged for 330 Ordinary shares in NMU (Holdings) Limited.

The other director, John George Burdin entered into an option agreement with NMU (Holdings) Limited. Prior to entering into this option agreement his B Class shares were converted to A Class shares. The share consideration was set at £147,500. The agreement was signed on 22 August 1996 and at the balance sheet date £107,500 had been paid to John George Burdin in part settlement of this option. The remaining £40,000 will be paid within the next financial year by NMU (Holdings) Limited.