

IPS GROUP LIMITED

ABBREVIATED ACCOUNTS

31 DECEMBER 1998

Registered Number : 1736684



PricewaterhouseCoopers
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AUDITORS' REPORT TO IPS GROUP LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5 together with the financial statements of IPS Group Limited prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

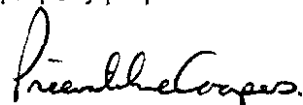
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report does 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 accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with that provision.



PRICEWATERHOUSECOOPERS
Chartered Accountants and
Registered Auditors

22 March 1999

IPS GROUP LIMITED**BALANCE SHEET AS AT 31 DECEMBER 1998**

	<u>1998</u>	<u>1997</u>
FIXED ASSETS		
Tangible fixed assets (Note 2)	193,376	81,990
Investments (Note 3)	<u>1,720</u>	<u>1,720</u>
	<u>195,096</u>	<u>83,710</u>
CURRENT ASSETS		
Debtors	2,330,980	1,805,794
Cash at bank and in hand	<u>1,173,674</u>	<u>660,973</u>
	3,504,654	2,466,767
CREDITORS (Amounts falling due within one year)	<u>(1,265,920)</u>	<u>(936,240)</u>
NET CURRENT ASSETS	<u>2,238,734</u>	<u>1,530,527</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>£2,433,830</u>	<u>£1,614,237</u>
CAPITAL AND RESERVES		
Called up equity share capital (Note 4)	53,214	53,214
Profit and loss account	<u>2,380,616</u>	<u>1,561,023</u>
EQUITY SHAREHOLDER'S FUNDS	<u>£2,433,830</u>	<u>£1,614,237</u>

The directors have taken advantage of the special provisions of Section 246A(4) to the Companies Act 1985, as entitling them to deliver abbreviated accounts on the grounds that the company is small.



AL Charlesworth

Director

Approved by the Board on 22 March 1999

IPS GROUP LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1998

1 ACCOUNTING POLICIES

(a) Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Turnover

Turnover represents the invoiced value of services rendered, exclusive of value added tax and is derived entirely in the United Kingdom from the principal activity.

(c) Tangible fixed assets and depreciation

Tangible fixed assets are depreciated using a straight line basis so as to write off the cost of the assets over their estimated useful lives using the following rates per annum.

Leasehold property	Over period of lease
Motor vehicles	25%
Furniture and equipment	25%

(d) Leased assets

Operating lease rentals are charged to the profit and loss account as they fall due.

(e) Investments in group undertakings

Investments in group undertakings are stated at cost less amounts written off. As permitted by Section 229 (2) of the Companies Act 1985, the company has not prepared group accounts.

(f) Deferred taxation

Provision is made on the liability basis for all tax deferred by timing differences to the extent that this potential liability is likely to crystallise in the foreseeable future.

(g) Pension costs

Pension payments to money purchase pension arrangements are charged to the profit and loss account as they fall due.

IPS GROUP LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1998 (Continued)

2 TANGIBLE FIXED ASSETS

	<u>Total</u>
Cost	
At 1 January 1998	189,420
Additions	164,375
Disposals	<u>(18,110)</u>
At 31 December 1998	335,685
Depreciation	
At 1 January 1998	107,430
Charge for the year	48,031
Disposals	<u>(13,152)</u>
At 31 December 1998	142,309
Net book amount	
At 31 December 1998	£193,376
	<hr/>
At 31 December 1997	£81,990
	<hr/>

3 INVESTMENTS

	<u>Subsidiary Companies</u>
Cost	
At 1 January and 31 December 1998	<u>81,400</u>
Amounts written off	
At 1 January and 31 December 1998	<u>(79,680)</u>
Net book value	
At 1 January and 31 December 1998	<u>£1,720</u>

The investment in subsidiary companies at 31 December 1998 comprises shares in:

	<u>% of ordinary shares held</u>
Insurance Personnel Selection Limited	100
Trevor James Management Limited	100
Trevor James (City of London) Limited	100
IPS Trustee Company Limited (Formerly Shipping and Travel Personnel Selection Limited)	100
Insurance Career Consultants Limited	100

All the above are non trading companies and are registered in England.

IPS GROUP LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1998 (Continued)

4 CALLED UP EQUITY SHARE CAPITAL

	<u>Number</u>		<u>Nominal value</u>	
	<u>1998</u>	<u>1997</u>	<u>1998</u>	<u>1997</u>
Authorised				
Ordinary shares of £1	100,000	100,000	£100,000	£100,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Allotted called up and fully paid				
Ordinary shares of £1	53,214	53,214	£53,214	£53,214
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

5 ULTIMATE CONTROLLING PARTY

The company's ultimate parent undertaking and the ultimate controlling party is IPS Holdings Limited, a company registered in England, which is the parent of the smallest and largest group to consolidate these accounts.

Copies of the accounts of IPS Holdings Limited can be obtained from 6 Lloyds Avenue, London EC3N 3ES.

As a wholly owned subsidiary included in the consolidated financial statements of IPS Holdings Limited, the company has taken advantage of the exemption available under Financial Reporting Standard 8 from disclosing transactions with other members of the IPS Holdings Limited group.