

Registered
57
Companies

HEDGES AND ROSE INSURANCE SERVICES LIMITED

FINANCIAL STATEMENTS

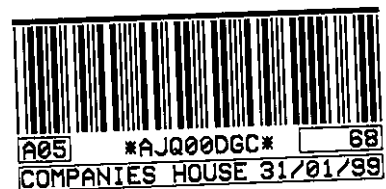
31ST MARCH 1998

Registered number: 02107770

GARETH JOHN & COMPANY

CHARTERED ACCOUNTANTS

Tonypandy



HEDGES AND ROSE INSURANCE SERVICES LIMITED
FINANCIAL STATEMENTS
for the year ended 31st March 1998

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The following page does not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
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HEDGES AND ROSE INSURANCE SERVICES LIMITED

COMPANY INFORMATION

31st March 1998

Number 02107770

CHAIRMAN

Alan Rose

OTHER DIRECTORS

John Saunders

Michael Jones

SECRETARY

John Long

REGISTERED OFFICE

Talbot House

Talbot Green

South Glamorgan

AUDITORS

Gareth John & Company

Chartered Accountants

The Enterprise Centre

Llwynypia Road

Tonypany

Mid Glam

HEDGES AND ROSE INSURANCE SERVICES LIMITED

DIRECTORS' REPORT

31st March 1998

The directors present their report and the audited financial statements for the year ended 31st March 1998.

Principal activity

The principal activity of the company continues to be that of insurance services.

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows

	31st March 1998 Ordinary shares	1st April 1997 Ordinary shares
Alan Rose	89	89
John Saunders	-	-
Michael Jones	11	11

Auditors

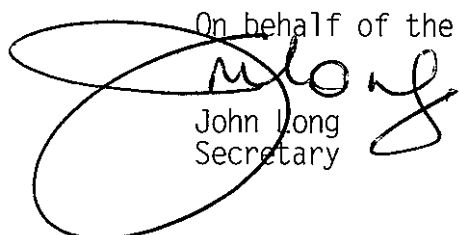
Gareth John & Company have agreed to offer themselves for re-appointment as auditors of the company.

Small company exemptions

Advantage has been taken in the preparation of this report of special exemptions applicable to small companies.

28 January 1999

Talbot House
Talbot Green
South Glamorgan

On behalf of the board

John Long
Secretary

HEDGES AND ROSE INSURANCE SERVICES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements we are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

On behalf of the board

Alan Rose
Chairman

HEDGES AND ROSE INSURANCE SERVICES LIMITED

AUDITORS' REPORT

Auditors' report to the members of
Hedges and Rose Insurance Services Limited

We have audited the financial statements on pages 5 to 11 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with 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 error or other irregularity. 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 the company's affairs as at 31st March 1998 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

28 January 1999

Tonypandy

Gareth John & Company
Registered Auditors
Chartered Accountants

HEDGES AND ROSE INSURANCE SERVICES LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31st March 1998

	Note	1998 £	1997 £
Turnover	2	1,930,790	1,812,837
Cost of sales		(1,607,556)	(1,517,753)
Gross profit		<u>323,234</u>	<u>295,084</u>
Net operating expenses			
Distribution costs		(10,947)	(15,854)
Administrative expenses		(267,682)	(229,037)
Other operating income		<u>26,098</u>	<u>8,294</u>
Operating profit	3	<u>70,703</u>	<u>58,487</u>
Interest payable	5	<u>(14,193)</u>	<u>(2,214)</u>
Profit on ordinary activities before taxation		<u>56,510</u>	<u>56,273</u>
Taxation	6	<u>(15,680)</u>	<u>(14,401)</u>
Profit on ordinary activities after taxation		<u>40,830</u>	<u>41,872</u>
Dividends		<u>(39,000)</u>	<u>(25,600)</u>
Retained profit for the year	13	<u><u>1,830</u></u>	<u><u>16,272</u></u>

Movements in reserves are shown in note 13.

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 1998 or 1997 other than the profit for the year.

HEDGES AND ROSE INSURANCE SERVICES LIMITED

BALANCE SHEET

at 31st March 1998

	Note	£	1998 £	£	1997 £
Fixed assets					
Tangible assets	7		217,353		175,203
Current assets					
Debtors	8	146,385		141,145	
Cash at bank and in hand		221,992		191,625	
		<u>368,377</u>		<u>332,770</u>	
Creditors: amounts falling due within one year	9	<u>(391,346)</u>		<u>(346,152)</u>	
Net current liabilities			(22,969)		(13,382)
Total assets less current liabilities			<u>194,384</u>		<u>161,821</u>
Creditors: amounts falling due after more than one year	10		<u>(144,425)</u>		<u>(113,692)</u>
			<u>49,959</u>		<u>48,129</u>
Capital and reserves					
Called up share capital	12		100		100
Profit and loss account	13		49,859		48,029
Total shareholders' funds	11		<u>49,959</u>		<u>48,129</u>

The directors have taken advantage in the preparation of these financial statements of special exemptions provided by Part I of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

The financial statements on pages 5 to 11 were approved by the board of directors on

28 January 1999

Alan Rose
Chairman



HEDGES AND ROSE INSURANCE SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31st March 1998

1 Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Section 246 to 247 of the Companies Act 1985 for small companies.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold land	Nil
Freehold buildings	Nil
Motor vehicles	25% Straight Line
Fixtures and fittings	20% Straight Line

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

2 Turnover

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities stated net of value added tax.

In the opinion of the directors, none of the turnover of the company is attributable to geographical markets outside the UK. (1997 nil)

HEDGES AND ROSE INSURANCE SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31st March 1998

3 Operating profit

	1998 £	1997 £
Operating profit is stated after crediting		
Interest receivable	26,098	8,294
and after charging		
Auditors' remuneration	2,174	2,056
Depreciation of tangible fixed assets (note 7)		
owned assets	20,328	6,827

4 Directors

	1998 £	1997 £
Directors' emoluments	55,230	51,259

5 Interest payable

	1998 £	1997 £
Finance lease and hire purchase contracts	2,942	-
Other interest payable	11,251	2,214
	14,193	2,214

6 Taxation

	1998 £	1997 £
Corporation tax on profit on ordinary activities at 23% (1997 24%)	15,680	14,401

HEDGES AND ROSE INSURANCE SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31st March 1998

7 Tangible fixed assets

Cost or valuation	Total £
1st April 1997	196,497
Additions	62,478
31st March 1998	<u>258,975</u>
Depreciation	
1st April 1997	20,934
Charge for year	20,328
31st March 1998	<u>41,262</u>
Net book amount	
31st March 1998	<u>217,353</u>
1st April 1997	<u>175,203</u>

8 Debtors: Amounts falling due within one year

	1998 £	1997 £
Trade debtors	146,385	140,725
Other debtors	-	420
	<u>146,385</u>	<u>141,145</u>

9 Creditors: amounts falling due within one year

	1998 £	1997 £
Bank loans	14,198	2,349
Bank overdrafts	-	2,572
Trade creditors	275,018	262,530
Other creditors	102,130	78,281
	<u>391,346</u>	<u>345,732</u>

HEDGES AND ROSE INSURANCE SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31st March 1998

10 Creditors: amounts falling due after more than one year

	1998 £	1997 £
Bank loans	105,275	113,692
Hire purchase	39,150	-
	<u>144,425</u>	<u>113,692</u>
Maturity of debt included above		
In one year or less, or on demand	-	-
In five years or more	<u>144,425</u>	<u>113,692</u>

11 Reconciliation of movements in shareholders' funds

	1998 £	1997 £
Profit for the financial year	40,830	41,872
Dividends	<u>(39,000)</u>	<u>(25,600)</u>
Net addition to shareholders' funds	1,830	16,272
Opening shareholders' funds	<u>48,129</u>	<u>31,857</u>
Closing shareholders' funds	<u>49,959</u>	<u>48,129</u>

12 Called up share capital

	1998		1997	
	Number of shares	£	Number of shares	£
Authorised, Ordinary Shares of £1 each	<u>1000</u>	<u>1000</u>	<u>1000</u>	<u>1000</u>
Allotted called up and fully paid	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

HEDGES AND ROSE INSURANCE SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS

31st March 1998

13 Profit and loss account

	1998 £
1st April 1997	48,029
Retained profit for the year	<u>1,830</u>
31st March 1998	<u><u>49,859</u></u>