

Company Number 2310921



**IMAS CORPORATE
ADVISORS LIMITED**

**Financial Statements
30 June 2005**

IMAS CORPORATE ADVISORS LIMITED

Directors' report for the year ended 30 June 2005

The directors submit their report and the audited financial statements of the company for the year ended 30 June 2005.

Review of the year

The principal activity of the company is the provision of corporate finance services, including *advice on acquisitions, disposals, fund raising and corporate strategy advice relating to unquoted companies in the insurance and financial services sector.*

Turnover grew by 13% in the last financial year and we anticipate further growth this year.

More importantly, we have been able to recruit quality individuals attracted by the Company's positioning, technology and partnership approach.

IMAS continues to invest heavily in its research and intelligence management platform (MaxImas) with expenditure on the pure software development running at over £50,000 per annum. MaxImas provides us with a unique capability to generate opportunities for our clients in the unquoted sector where the availability and quality of comprehensive data is often extremely limited.

IMAS' long-term growth objectives will only be achieved by attracting and retaining quality individuals. Accordingly, it is the intention of the Board to convert IMAS into a limited liability partnership where two-thirds of the growth in the value of the Company will accrue to the key members of staff.

Dividends

The company has paid dividends of £83,892 relating to the year (2004 £44,000), and an further dividend of £47,200 is proposed.

Directors and their interests

The directors of the company who served throughout the year were as follows:

W L Henson
O E Laughton-Scott

Mr O E Laughton-Scott is the beneficial owner of 2 ordinary shares and the A redeemable preference share capital. W L Henson has no interest in the issued share capital of the company.

IMAS CORPORATE ADVISORS LIMITED

Directors' report for the year ended 30 June 2005

Statement of directors' responsibilities

Company law requires the directors 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, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution concerning the re-appointment of Chantrey Vellacott DFK LLP as auditors of the company will be proposed at the Annual General Meeting.

ON BEHALF OF THE BOARD



J R SIMPSON

Secretary

Date: 21st September 2005

IMAS CORPORATE ADVISORS LIMITED

Independent Auditors' report to the shareholders of IMAS Corporate Advisors Limited

We have audited the financial statements of IMAS Corporate Advisors Limited for the year ended 30 June 2005 which comprise the Profit and Loss Account, Balance Sheet, Cash Flow Statement and related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

IMAS CORPORATE ADVISORS LIMITED

Independent Auditors' report to the shareholders of IMAS Corporate Advisors Limited

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 2005 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.


CHANTREY VELLACOTT DFK LLP

**Chartered Accountants
Registered Auditors**

LONDON

21st September 2005

IMAS CORPORATE ADVISORS LIMITED

Profit and loss account for the year ended 30 June 2005

	Note	2005 £	2004 £
Turnover	2	801,918	711,792
Operating charges		(583,388)	(577,776)
Operating profit		218,530	134,016
Interest receivable		8,989	7,201
Profit on ordinary activities before taxation	3	227,519	141,217
Tax on ordinary activities	4	(49,000)	(31,799)
Profit on ordinary activities after taxation		178,519	109,418
Dividends	5	(131,092)	(44,000)
Retained profit for the year		47,427	65,418

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented. There is no difference between the results stated above and their historical cost equivalents.

The notes on pages 8 to 11 form part of these financial statements.

IMAS CORPORATE ADVISORS LIMITED

Balance sheet as at 30 June 2005

	Note	2005 £	2004 £
Fixed assets			
Tangible assets	6	<u>6,374</u>	<u>31,302</u>
Current assets			
Debtors	7	235,179	22,050
Cash at bank		<u>194,022</u>	<u>272,342</u>
		429,201	294,392
Creditors: Amounts falling due within one year	8	<u>229,861</u>	<u>167,407</u>
Net current assets		<u>199,340</u>	<u>126,985</u>
Total assets less liabilities		<u>205,714</u>	<u>158,287</u>
Capital and reserves			
Called-up share capital	9	10,002	10,002
Capital redemption reserve		1	1
Profit and loss reserve		<u>195,711</u>	<u>148,284</u>
Shareholders' funds (including non-equity interests)	10	<u>205,714</u>	<u>158,287</u>

Approved by the Board on 21st September 2005 and signed on its behalf by:



O E LAUGHTON-SCOTT

Director

The notes on pages 8 to 11 form part of these financial statements.

IMAS CORPORATE ADVISORS LIMITED

Cash flow statement for the year ended 30 June 2005

	2005 £	2004 £
Reconciliation of operating profit to net cash inflow from operating activities		
Operating profit	218,530	134,016
Depreciation charges	27,732	26,059
(Increase)/decrease in debtors	(213,129)	6,763
(Decrease)/Increase in creditors	(2,934)	32,039
Net cash inflow from operating activities	<u>30,199</u>	<u>198,877</u>

Cash Flow Statement

Operating activities		
Net cash inflow from operating activities	<u>30,199</u>	<u>198,877</u>
Returns on investments and servicing of finance		
Bank interest received	8,989	7,201
Dividends paid	(83,892)	(44,000)
Net cash outflow from returns on investments and servicing of finance	<u>(74,903)</u>	<u>(36,799)</u>
Taxation		
Corporation tax paid	<u>(30,812)</u>	<u>(25,867)</u>
Investing activities		
Payments to acquire tangible fixed assets	<u>(2,804)</u>	<u>(49,163)</u>
(Decrease)/increase in cash	<u>(78,320)</u>	<u>87,048</u>

IMAS CORPORATE ADVISORS LIMITED

Notes to the financial statements For the year ended 30 June 2005

1. Accounting policies

(a) Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Depreciation

Depreciation is charged on tangible fixed assets so as to write off their full cost over their expected useful lives at the following rates:

Computer equipment	50% of cost per annum
Fixtures and fittings	50% of cost per annum (previously 33 1/3 rd %)

(c) Deferred taxation

Deferred taxation is provided for all material elements of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

2. Turnover

Turnover represents amounts receivable in the period in respect of consultancy fees and is stated net of VAT.

3. Profit on ordinary activities before tax

Profit on ordinary activities is stated after charging:

	2005 £	2004 £
Depreciation	27,732	26,059
Auditors' remuneration	3,500	2,950
Operating lease rental of property	14,900	-
Directors' emoluments	60,000	110,000
Other staff costs (including national insurance)	256,247	250,930

W L Henson, a director of the company, charged the company consultancy fees of £31,100 during the year (2004 £22,098).

The average number of employees, including directors, was 6 (2004 : 5).

IMAS CORPORATE ADVISORS LIMITED

Notes to the financial statements For the year ended 30 June 2005

4. Taxation	2005	2004
	£	£
Taxation on profit for the year at 19% (2004 – 19%)	49,000	31,799
Factors affecting tax charge for year		
Profit on ordinary activities multiplied by the standard rate of UK corporate tax of 19% (2004 - 30%)	43,229	42,365
Effects of:		
Expenses not deductible for tax purposes	529	1,040
Small company/marginal relief	-	(14,077)
Deferred tax not provided	4,392	672
Other	38	-
Adjustments in respect of earlier years	812	1,799
	49,000	31,799
5. Dividends	2005	2004
	£	£
On equity shares:		
Paid £41,946 per ordinary share (2004 £22,000)	83,892	44,000
Proposed £23,600 per ordinary share (2004 - £nil)	47,200	-
	131,092	44,000

IMAS CORPORATE ADVISORS LIMITED

Notes to the financial statements For the year ended 30 June 2005

6.	Tangible assets	Computer equipment £	Fixtures and fittings £	Total £
	Cost			
	At 1 July 2004	40,558	36,276	76,834
	Additions	1,375	1,429	2,804
	At 30 June 2005	<u>41,933</u>	<u>37,705</u>	<u>79,638</u>
	Accumulated depreciation			
	At 1 July 2004	31,335	14,197	45,532
	Charge for the year	9,853	17,879	27,732
	At 30 June 2005	<u>41,188</u>	<u>32,076</u>	<u>73,264</u>
	Net book value			
	At 30 June 2005	<u>745</u>	<u>5,629</u>	<u>6,374</u>
	At 30 June 2004	<u>9,223</u>	<u>22,079</u>	<u>31,302</u>
7.	Debtors		2005	2004
			£	£
	Trade debtors		<u>235,179</u>	<u>22,050</u>
8.	Creditors		2005	2004
			£	£
	Trade creditors		6,575	9,704
	Corporation tax		48,188	30,000
	Accruals and deferred income		116,108	117,436
	Other taxes and social security		11,790	10,267
	Dividend payable		47,200	-
			<u>229,861</u>	<u>167,407</u>

IMAS CORPORATE ADVISORS LIMITED

Notes to the financial statements For the year ended 30 June 2005

9.	Share capital	2005	2004
		£	£
	Authorised		
	- Equity		
	100 Ordinary shares of £1 each	100	100
	- Non-Equity		
	10,000 'A' redeemable preference shares of £1 each	10,000	10,000
	1 'B' redeemable preference share of £1	1	1
		<u>10,101</u>	<u>10,101</u>
	Issued		
	- Equity		
	2 Ordinary shares of £1 each	2	2
	- Non-Equity		
	10,000 'A' redeemable preference shares of £1 each	10,000	10,000
		<u>10,002</u>	<u>10,002</u>

The 'A' redeemable preference shares of £1 each have no fixed redemption date and are redeemable at par at the option of the shareholders. 'A' preference shares do not have voting rights or rights to dividend payments.

10.	Reconciliation of movement in Shareholders' funds	2005	2004
		£	£
	Profit for the financial period	178,519	109,418
	Dividends	(131,092)	(44,000)
	Net addition to shareholders' funds	47,427	65,418
	Opening shareholders' funds	158,287	92,869
	Closing shareholders' funds	<u>205,714</u>	<u>158,287</u>
	Shareholders' funds may be analysed as follows:		
	Attributable to equity interests	195,714	148,287
	Attributable to non-equity interests	10,000	10,000
		<u>205,714</u>	<u>158,287</u>

11. Lease Commitment

The company has an annual commitment to pay rent on its office premises of £19,800 in respect of a lease expiring within 2 to 5 years.