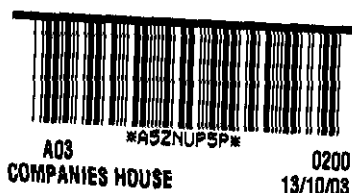


Company Number 2310921

**IMAS CORPORATE  
ADVISORS LIMITED**

**Financial Statements  
30 June 2003**



# **IMAS CORPORATE ADVISORS LIMITED**

## **Directors' report for the year ended 30 June 2003**

The directors submit their report and the audited financial statements of the company for the year ended 30 June 2003.

### **Review of the year**

The principal activity of the company is the provision of corporate finance and consultancy services focused on shareholder value to the insurance and the financial services industries.

We had a successful year, strengthening and extending the capabilities of the business and our position in the market. Completion of transactions in the year was slower than we had hoped, leading to a large pipeline of transactions which we expect to complete in the forthcoming year – which we look forward to being highly successful with our specialist market showing improved levels of activity.

The company continues to invest considerable time and money in its information systems, enabling it to maintain a unique database to support the business's activities. Expenditure in 2003 was in excess of £30,000 and is likely to continue at this level as we seek to combine financial information with business profiles, internal and external intelligence and contact development.

IMAS' long term growth objectives will only be achieved by attracting and retaining quality individuals. Accordingly, it is still the intention of the Board to put in place a mechanism by which, with the continued growth of the business, 75% of the value of the business will be held for the benefit of the employees.

### **Dividends**

The company has paid dividends of £27,274 relating to the year (2002 : £346,700), and a final dividend of £20,000 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. The 1 B redeemable preference share was redeemed on 23<sup>rd</sup> June 2003. 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 2003**

### **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:

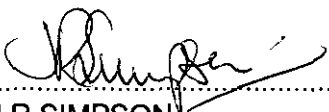
- \* select suitable accounting policies and then apply them consistently;
- \* make judgements and estimates that are reasonable and prudent;
- \* prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 as auditors of the company will be proposed at the Annual General Meeting.

ON BEHALF OF THE BOARD

  
.....  
J R SIMPSON

Secretary

Date: 18<sup>th</sup> September 2003

## **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 2003 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 of the Accountancy Foundation. 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.

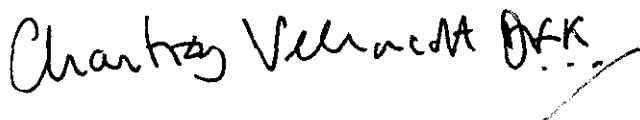
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 2003 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

Chartered Accountants  
Registered Auditors

LONDON

24 September 2003

# IMAS CORPORATE ADVISORS LIMITED

## Profit and loss account for the year ended 30 June 2003

	Note	2003 £	2002 £
Turnover	2	495,455	667,742
Operating charges		(370,085)	(223,411)
<b>Operating profit</b>		<b>125,370</b>	<b>444,331</b>
Interest receivable		5,535	3,277
<b>Profit on ordinary activities before taxation</b>	3	<b>130,905</b>	<b>447,608</b>
Tax on ordinary activities	4	(24,000)	(123,600)
<b>Profit on ordinary activities after taxation</b>		<b>106,905</b>	<b>324,008</b>
Dividends	5	(47,274)	(346,700)
<b>Retained profit/(loss) for the year</b>		<b>59,631</b>	<b>(22,692)</b>
Other gains and losses recognised in the year: Redemption of B redeemable preference share		(1)	-
<b>Transfer to/(from) profit and loss account</b>		<b>59,630</b>	<b>(22,692)</b>

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 12 form part of these financial statements.

# IMAS CORPORATE ADVISORS LIMITED

## Balance sheet as at 30 June 2003

	Note	2003 £	2002 £
<b>Fixed assets</b>			
Tangible assets	6	<u>8,198</u>	<u>9,109</u>
<b>Current assets</b>			
Debtors	7	28,813	86,855
Cash at bank		<u>185,294</u>	<u>120,803</u>
		<b>214,107</b>	<b>207,658</b>
<b>Creditors: Amounts falling due within one year</b>	8	<u>129,436</u>	<u>183,528</u>
Net current assets		<u>84,671</u>	<u>24,130</u>
<b>Total assets less liabilities</b>		<u><b>92,869</b></u>	<u><b>33,239</b></u>
<b>Capital and reserves</b>			
Called-up share capital	9	10,002	10,003
Capital redemption reserve	9	1	-
Profit and loss reserve		<u>82,866</u>	<u>23,236</u>
<b>Shareholders' funds (including non-equity interests)</b>	10	<u><b>92,869</b></u>	<u><b>33,239</b></u>

Approved by the Board on 18<sup>th</sup> September 2003 and signed on its behalf by:



O E LAUGHTON-SCOTT

Director

The notes on pages 8 to 12 form part of these financial statements.

# IMAS CORPORATE ADVISORS LIMITED

## Cash flow statement for the year ended 30 June 2003

	2003 £	2002 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>		
Operating profit	125,370	444,331
Depreciation charges	10,375	6,619
Decrease/(increase) in debtors	58,042	(31,109)
Increase in creditors	28,382	21,127
<b>Net cash inflow from operating activities</b>	<b>222,169</b>	<b>440,968</b>
<b>Cash Flow Statement</b>		
<b>Operating activities</b>		
<b>Net cash inflow from operating activities</b>	<b>222,169</b>	<b>440,968</b>
<b>Returns on investments and servicing of finance</b>		
Bank interest received	5,535	3,277
Dividends paid	(27,274)	(346,700)
<b>Net cash outflow from returns on investments and servicing of finance</b>	<b>(21,739)</b>	<b>(343,423)</b>
<b>Taxation</b>		
Corporation tax paid	(126,474)	(98,603)
<b>Investing activities</b>		
(Redemption)/issue of 'B' preference share	(1)	1
Payments to acquire tangible fixed assets	(9,464)	(13,251)
Payments received on sale of tangible fixed assets	-	3,385
	<b>(9,465)</b>	<b>(9,865)</b>
<b>Increase/(decrease) in cash</b>	<b>64,491</b>	<b>(11,023)</b>



# IMAS CORPORATE ADVISORS LIMITED

## Notes to the financial statements For the year ended 30 June 2003

### 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	33 <sup>1</sup> / <sub>3</sub> % of cost per annum

#### (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:

	2003 £	2002 £
Depreciation	10,375	6,619
Auditors' remuneration	2,500	2,600
Directors' emoluments	66,000	32,000
Other staff costs (including national insurance)	144,337	83,866

W L Henson, a director of the company, charged the company consultancy fees of £24,009 during the year (2002: £18,527).

The average number of employees, including directors, was 5 (2002 : 4).

# IMAS CORPORATE ADVISORS LIMITED

## Notes to the financial statements For the year ended 30 June 2003

<b>4. Taxation</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Taxation on profit for the year at 18.3% (2002 – 28.3%)	<b>24,000</b>	<b>123,600</b>
Factors affecting tax charge for year		
Profit on ordinary activities multiplied by the standard rate of UK corporate tax of 30%	<b>39,271</b>	<b>134,282</b>
Effects of:		
Expenses not deductible for tax purposes	<b>1,187</b>	<b>2,121</b>
Marginal relief	<b>(16,398)</b>	<b>(7,755)</b>
Deferred tax not provided	<b>385</b>	<b>(2,174)</b>
Other	<b>(445)</b>	<b>68</b>
Adjustments in respect of earlier years	<b>-</b>	<b>(2,942)</b>
	<b>24,000</b>	<b>123,600</b>
<b>5. Dividends</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
On equity shares:		
£23,637 per ordinary share (2002 : £126,692.50)	<b>47,274</b>	<b>253,385</b>
On non-equity shares:		
£0 per B preference share (2002 : £93,315)	<b>-</b>	<b>93,315</b>
	<b>47,274</b>	<b>346,700</b>

# IMAS CORPORATE ADVISORS LIMITED

## Notes to the financial statements For the year ended 30 June 2003

6.	Tangible assets	Computer equipment £	Fixtures and fittings £	Total £
	<b>Cost</b>			
	At 1 July 2002	14,937	3,270	18,207
	Additions	7,946	1,518	9,464
	At 30 June 2003	<u>22,883</u>	<u>4,788</u>	<u>27,671</u>
	<b>Accumulated depreciation</b>			
	At 1 July 2002	8,668	430	9,098
	Charge for the year	8,700	1,675	10,375
	At 30 June 2003	<u>17,368</u>	<u>2,105</u>	<u>19,473</u>
	<b>Net book value</b>			
	At 30 June 2003	<u>5,515</u>	<u>2,683</u>	<u>8,198</u>
	At 30 June 2002	<u>6,269</u>	<u>2,840</u>	<u>9,109</u>
7.	<b>Debtors</b>		2003 £	2002 £
	Trade debtors		<u>28,813</u>	<u>86,855</u>
8.	<b>Creditors</b>		2003 £	2002 £
	Trade creditors		9,562	12,023
	Corporation tax		24,068	126,542
	Accruals and deferred income		73,350	17,000
	Other taxes and social security		2,456	27,963
	Dividend payable		20,000	-
			<u>129,436</u>	<u>183,528</u>

# IMAS CORPORATE ADVISORS LIMITED

## Notes to the financial statements For the year ended 30 June 2003

9.	Share capital	2003 £	2002 £
	<b>Authorised</b>		
	- <b>Equity</b>		
	100 Ordinary shares of £1 each	100	100
	- <b>Non-Equity</b>		
	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>10,100</u>
	<b>Issued</b>		
	- <b>Equity</b>		
	2 Ordinary shares of £1 each	2	2
	- <b>Non-Equity</b>		
	10,000 'A' redeemable preference shares of £1 each	10,000	10,000
	- 1 'B' redeemable preference share of £1	-	1
		<u>10,002</u>	<u>10,003</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.

The 'B' redeemable preference share was authorised and issued on 6<sup>th</sup> February 2002 and redeemed on 23<sup>rd</sup> June 2003. On redemption a capital redemption reserve of £1 was created.

'A' preference shareholders do not having voting rights or rights to dividend payments.

# IMAS CORPORATE ADVISORS LIMITED

## Notes to the financial statements For the year ended 30 June 2003

### 10. Reconciliation of movement in Shareholders' funds

	2003 £	2002 £
Profit for the financial period	106,905	324,008
Dividends	(47,274)	(346,700)
Net addition/(reduction) to shareholders' funds	59,631	(22,692)
Share capital (redeemed)/issued	(1)	1
Opening shareholders' funds	33,239	55,930
Closing shareholders' funds	92,869	33,239

Shareholders' funds may be analysed as follows:

Attributable to equity interests	82,869	23,238
Attributable to non-equity interests	10,000	10,001
	92,869	33,239