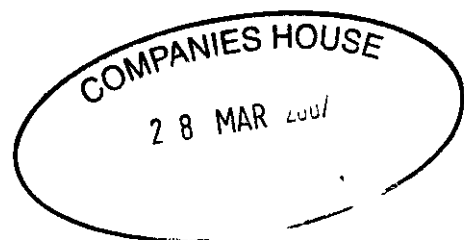


Registration number SC206834

J W GROUP INSURANCE & RISK MANAGERS LIMITED

Directors' report and financial statements

for the year ended 31 May 2006



J W GROUP INSURANCE & RISK MANAGERS LIMITED

Company information

Directors	K Davie K Whittle R Young D C Davison A Adam J Grady R M Marshall A C Whitehill	appointed 1 June 2005 appointed 1 June 2005
Secretary	R Young	
Company number	SC206834	
Auditors	Barrie Scott Limited 16 18 Weir Street FALKIRK FK1 1RA	
Business address	Davidson House 57 Queen Charlotte Street Edinburgh EH6 7YD	
Bankers	Clydesdale Bank plc 4 Bernard Street Leith Edinburgh EH6 6PX	

J W GROUP INSURANCE & RISK MANAGERS LIMITED

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J W GROUP INSURANCE & RISK MANAGERS LIMITED

Directors' report for the year ended 31 May 2006

The directors present their report and the financial statements for the year ended 31 May 2006

Principal activity and review of the business

The principal activity of the company is that of general insurance brokers. There has been no change to the core activity during the year.

As shown on the profit and loss account on page 5, turnover and profit have increased. The directors note that the insurance market remains highly competitive and it is likely that margins will continue to be squeezed.

The company is well placed to manage the risks inherent in the issues identified above and will continue to recruit and train high quality experienced staff.

Results and dividends

The profit for the year, after taxation, amounted to £30,443. Particulars of dividends paid and proposed are detailed in the notes to the financial statements.

Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

		Class of share	31/05/06	01/06/05 or date of appointment
K Davie		Ordinary shares		
K Whittle		Ordinary shares		
R Young		Ordinary shares		
D C Davison		Ordinary shares	55,923	55,923
A Hardie	resigned 28 December 2005	Ordinary shares		
A Adam		Ordinary shares		
J Grady		Ordinary shares		
R M Marshall	appointed 1 June 2005	Ordinary shares		
A C Whitehill	appointed 1 June 2005	Ordinary shares		

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to

select suitable accounting policies and apply them consistently,
make judgements and estimates that are reasonable and prudent,

J W GROUP INSURANCE & RISK MANAGERS LIMITED

Directors' report for the year ended 31 May 2006

. continued

state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,

state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,

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 that 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.

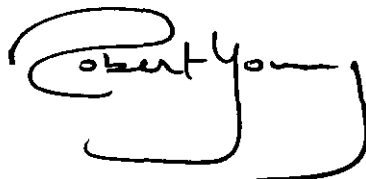
The directors of a company must, in determining how amounts are presented within items in the profit and loss account and balance sheet, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles and practice.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Barrie Scott Limited be reappointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on 28 March 2007 and signed on its behalf by

**R Young
Secretary**

A handwritten signature in black ink, appearing to read 'Robert Young', with a large, stylized 'Y' at the end.

J W GROUP INSURANCE & RISK MANAGERS LIMITED

Independent auditors' report to the shareholders of J W GROUP INSURANCE & RISK MANAGERS LIMITED

We have audited the financial statements of J W GROUP INSURANCE & RISK MANAGERS LIMITED for the year ended 31 May 2006 which comprise the profit and loss account, the balance sheet, the cash flow statement and the 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 shareholders, 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 shareholders those matters we are required to state to them in an auditors' 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 shareholders 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 the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the directors' report is consistent with the financial statements. In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

J W GROUP INSURANCE & RISK MANAGERS LIMITED

Independent auditors' report to the shareholders of J W GROUP INSURANCE & RISK MANAGERS

Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 May 2006 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985



**Barrie Scott Limited
Chartered Accountants and
Registered auditors
28 March 2007**

**16 18 Weir Street
FALKIRK
FK1 1RA**

J W GROUP INSURANCE & RISK MANAGERS LIMITED

Profit and loss account for the year ended 31 May 2006

		Continuing operations	
		2006	2005
	Notes	£	£
Turnover	2	3,904,050	2,992,184
Administrative expenses		(3,884,586)	(2,996,948)
Other operating income		8,666	
Operating profit/(loss)	3	28,130	(4,764)
Other interest receivable and similar income	4	64,225	47,399
Interest payable and similar charges	5	(18,519)	(14,096)
Profit on ordinary activities before taxation		73,836	28,539
Tax on profit on ordinary activities	8	(43,393)	(16,742)
Profit on ordinary activities after taxation		30,443	11,797
Retained profit for the year	19	30,443	11,797

There are no recognised gains or losses other than the profit or loss for the above two financial years

The notes on pages 8 to 19 form an integral part of these financial statements.

J W GROUP INSURANCE & RISK MANAGERS LIMITED

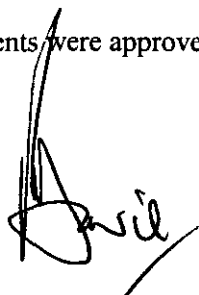
Balance sheet as at 31 May 2006

		2006		2005	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	10		740,000		630,499
Tangible assets	11		261,201		320,207
Investments	12		3,676		3,676
			<u>1,004,877</u>		<u>954,382</u>
Current assets					
Debtors	13	1,346,248		1,294,396	
Cash at bank and in hand		2,495,704		2,113,623	
		<u>3,841,952</u>		<u>3,408,019</u>	
Creditors: amounts falling due within one year	14	(3,773,272)		(3,177,731)	
Net current assets			<u>68,680</u>		<u>230,288</u>
Total assets less current liabilities			1,073,557		1,184,670
Creditors: amounts falling due after more than one year	15		(105,586)		(325,765)
Provisions for liabilities	16		<u>(9,250)</u>		<u>(9,250)</u>
Net assets			<u>958,721</u>		<u>849,655</u>
Capital and reserves					
Called up share capital	18		675,079		657,923
Share premium account	19		212,289		145,037
Profit and loss account	19		71,353		46,695
Equity shareholders' funds	20		<u>958,721</u>		<u>849,655</u>

The financial statements were approved by the Board on

and signed on its behalf by

K Davie
Director



The notes on pages 8 to 19 form an integral part of these financial statements.

J W GROUP INSURANCE & RISK MANAGERS LIMITED

Cash flow statement for the year ended 31 May 2006

	Notes	2006 £	2005 £
Reconciliation of operating profit/(loss) to net cash inflow from operating activities			
Operating profit/(loss)		28,130	(4,764)
Depreciation		405,210	292,451
(Increase) in debtors		(51,852)	(276,432)
Increase in creditors		52,057	821,507
Net cash inflow from operating activities		<u>433,545</u>	<u>832,762</u>
Cash flow statement			
Net cash inflow from operating activities		433,545	832,762
Returns on investments and servicing of finance	23	45,706	33,303
Taxation	23	(19,319)	(11,072)
Capital expenditure	23	(406,188)	(343,140)
		53,744	511,853
Equity dividends paid		(5,785)	(5,016)
		47,959	506,837
Financing	23	(85,337)	291,782
Decrease in cash in the year		<u>(37,378)</u>	<u>798,619</u>
Reconciliation of net cash flow to movement in net funds (Note 24)			
Decrease in cash in the year		(37,378)	798,619
Cash outflow from increase in debts and lease financing		169,745	(233,732)
Change in net funds resulting from cash flows		132,367	564,887
New finance leases and hire purchase contracts		(49,517)	(78,397)
Movement in net funds in the year		82,850	486,490
Net funds at 1 June 2005		<u>1,426,923</u>	<u>940,433</u>
Net funds at 31 May 2006		<u>1,509,773</u>	<u>1,426,923</u>

J W GROUP INSURANCE & RISK MANAGERS LIMITED

Notes to the financial statements for the year ended 31 May 2006

1. Accounting policies

1.1. Accounting convention

The company has consistently applied all relevant accounting standards

1.2. Changes in accounting policy

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards

FRS 25 (IAS 32) Financial Instruments Disclosure and Presentation

The treatment of dividends was changed by FRS 25 Dividends relating to ordinary shares are no longer charged to the profit and loss account as an expense but are debited directly to reserves

1.3. Turnover

Turnover is the gross amount receivable by the company in the ordinary course of business for management fees charged to other group companies and commissions receivable from financial organisations in respect of contracts completed with them on behalf of the company's clients Commission income is taken into account when the contract to which it relates is deemed to be completed

1.4. Goodwill

Goodwill which was created as a direct result of the merger of the business interests of Jacob Whittle Partnership and Carlyle Insurance & Financial Services Limited on the 1 June 2002 is written off in equal annual instalments over its estimated useful economic life of 20 years Goodwill which has arisen as a direct result of business purchase is written off over varying periods of 2 years and 4 years

1.5. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Fixtures, fittings and equipment	25% straight line
Motor vehicles	25% straight line

1.6. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated as above Obligations under such agreements are included in creditors net of the finance charge allocated to future periods The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period

J W GROUP INSURANCE & RISK MANAGERS LIMITED

Notes to the financial statements for the year ended 31 May 2006

continued

1.7. Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value

1.8. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year

1.9. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable,

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

1.10. Financial instruments

Financial instruments are classified and accounted for, according to the substance of contractual arrangement, as either financial assets, financial liabilities or equity instruments, as defined in FRS 25, Financial Instruments Disclosure and Presentation. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK

J W GROUP INSURANCE & RISK MANAGERS LIMITED

Notes to the financial statements for the year ended 31 May 2006

. continued

3. Operating profit/(loss)	2006	2005
	£	£
Operating profit/(loss) is stated after charging		
Depreciation and other amounts written off intangible assets	238,001	150,499
Depreciation and other amounts written off tangible assets	166,405	133,920
Loss on disposal of tangible fixed assets	804	8,032
Operating lease rentals		
Office equipment	773	2,557
Auditors' remuneration	3,500	3,525
	<u> </u>	<u> </u>
4. Interest receivable and similar income	2006	2005
	£	£
Bank interest	64,225	47,399
	<u> </u>	<u> </u>
5. Interest payable and similar charges	2006	2005
	£	£
Bank interest	1,710	834
Hire purchase interest	16,600	13,262
On overdue tax	209	
	18,519	14,096
	<u> </u>	<u> </u>
6. Employees		
Number of employees	2006	2005
The average monthly numbers of employees (including the directors) during the year were		
Staff	102	83
	<u> </u>	<u> </u>
Employment costs	2006	2005
	£	£
Wages and salaries	2,024,111	1,441,733
Social security costs	197,671	140,720
Pension costs other operating charge	121,318	88,308
	2,343,100	1,670,761
	<u> </u>	<u> </u>

J W GROUP INSURANCE & RISK MANAGERS LIMITED

Notes to the financial statements for the year ended 31 May 2006

continued

6.1. Directors' emoluments	2006	2005
	£	£
Remuneration and other emoluments	<u>352,272</u>	<u>128,297</u>

7. Pension costs

The company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £121,318.

8. Tax on profit on ordinary activities

Analysis of charge in period	2006	2005
	£	£
Current tax		
UK corporation tax	46,691	12,675
Adjustments in respect of previous periods	(3,298)	4,067
	<u>43,393</u>	<u>16,742</u>

Factors affecting tax charge for period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (30 per cent). The differences are explained below:

	2006	2005
	£	£
Profit on ordinary activities before taxation	<u>73,836</u>	<u>28,539</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (31 May 2005: 19%)	22,151	5,422
Effects of:		
Expenses not deductible for tax purposes	41,015	19,232
Capital allowances for period in excess of depreciation	(16,475)	(11,979)
Adjustments to tax charge in respect of previous periods	(3,298)	4,067
Current tax charge for period	<u>43,393</u>	<u>16,742</u>

J W GROUP INSURANCE & RISK MANAGERS LIMITED

Notes to the financial statements for the year ended 31 May 2006

continued

9. Dividends

Dividends paid and proposed on equity shares

	2006 £	2005 £
Paid during the year		
Equity dividends on Ordinary shares	5,785	5,016
	<u>5,785</u>	<u>5,016</u>

10. Intangible fixed assets

	Goodwill £	Total £
Cost		
At 1 June 2005	840,998	840,998
Additions	347,502	347,502
At 31 May 2006	<u>1,188,500</u>	<u>1,188,500</u>
Provision for diminution in value		
At 1 June 2005	210,499	210,499
Charge for year	238,001	238,001
At 31 May 2006	<u>448,500</u>	<u>448,500</u>
Net book values		
At 31 May 2006	<u>740,000</u>	<u>740,000</u>
At 31 May 2005	<u>630,499</u>	<u>630,499</u>

J W GROUP INSURANCE & RISK MANAGERS LIMITED

Notes to the financial statements for the year ended 31 May 2006

continued

11. Tangible fixed assets	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost			
At 1 June 2005	490,365	109,010	599,375
Additions	68,748	47,955	116,703
Disposals		(23,914)	(23,914)
At 31 May 2006	<u>559,113</u>	<u>133,051</u>	<u>692,164</u>
Depreciation			
At 1 June 2005	234,068	45,100	279,168
On disposals		(14,610)	(14,610)
Charge for the year	132,740	33,665	166,405
At 31 May 2006	<u>366,808</u>	<u>64,155</u>	<u>430,963</u>
Net book values			
At 31 May 2006	<u>192,305</u>	<u>68,896</u>	<u>261,201</u>
At 31 May 2005	<u>256,297</u>	<u>63,910</u>	<u>320,207</u>

Included above are assets held under finance leases or hire purchase contracts as follows

Asset description	2006		2005	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Equipment	67,074	77,298	130,291	68,894
Motor vehicles	68,893	33,271	57,229	25,061
	<u>135,967</u>	<u>110,569</u>	<u>187,520</u>	<u>93,955</u>

J W GROUP INSURANCE & RISK MANAGERS LIMITED

Notes to the financial statements for the year ended 31 May 2006

continued

12. Fixed asset investments	Subsidiary undertakings shares £	Listed investments £	Total £
Cost			
At 1 June 2005			
At 31 May 2006	80	3,596	3,676
Net book values			
At 31 May 2006	80	3,596	3,676
At 31 May 2005	80	3,596	3,676

12.1. Holdings of 20% or more

The company holds 20% or more of the share capital of the following companies

Company	Country of registration or incorporation	Nature of business	Shares held class	Proportion of shares held
Subsidiary undertaking				
J W Group Inspection Services Limited	Scotland	Inspection services	Ordinary	80%

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Capital and reserves £	(Loss) for the year £
J W Group Inspection Services Limited	9,791	(12,585)

13. Debtors	2006 £	2005 £
Trade debtors	1,132,983	934,875
Amounts owed by group undertakings	128,677	336,503
Other debtors	36,101	1,742
Prepayments and accrued income	48,487	21,276
	<u>1,346,248</u>	<u>1,294,396</u>

J W GROUP INSURANCE & RISK MANAGERS LIMITED

Notes to the financial statements for the year ended 31 May 2006

continued

14. Creditors: amounts falling due within one year	2006 £	2005 £
Bank overdraft	812,044	192,586
Loan		100,000
Net obligations under finance leases and hire purchase contracts	68,300	68,348
Trade creditors	2,561,421	2,406,589
Amounts owed to group undertaking	110,622	110,702
Amounts owed to participating interest	8,305	8,305
Corporation tax	46,691	22,617
Other taxes and social security costs	55,621	49,811
Directors' accounts	13,195	13,195
Other creditors	43,389	135,989
Accruals and deferred income	53,684	69,589
	<u>3,773,272</u>	<u>3,177,731</u>

The Clydesdale Bank plc has a floating charge for all sums due or to become due together with cross guarantee between J W Group Insurance & Risk Managers Limited and J W Group Limited

15. Creditors: amounts falling due after more than one year	2006 £	2005 £
Loan		200,000
Net obligations under finance leases and hire purchase contracts	105,586	125,765
	<u>105,586</u>	<u>325,765</u>
Net obligations under finance leases and hire purchase contracts		
Repayable within one year	(68,300)	(68,348)
Repayable between one and five years	(105,586)	(125,765)
	<u>(173,886)</u>	<u>(194,113)</u>

J W GROUP INSURANCE & RISK MANAGERS LIMITED

Notes to the financial statements for the year ended 31 May 2006

continued

16. Provisions for liabilities

	Deferred taxation (Note 17) £	Total £
At 1 June 2005	9,250	9,250
At 31 May 2006	<u>9,250</u>	<u>9,250</u>

17. Provision for deferred taxation

	2006 £	2005 £
Accelerated capital allowances	<u>9,250</u>	<u>9,250</u>
Provision at 1 June 2005	9,250	
Provision at 31 May 2006	<u>9,250</u>	

18. Share capital

	2006 £	2005 £
Authorised equity		
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>657,923</u>
Allotted, called up and fully paid equity		
675,079 Ordinary shares of £1 each	<u>675,079</u>	<u>657,923</u>
Equity Shares		
675,079 Ordinary shares of £1 each	<u>675,079</u>	<u>657,923</u>

J W GROUP INSURANCE & RISK MANAGERS LIMITED

Notes to the financial statements for the year ended 31 May 2006

continued

19. Equity Reserves	Share premium account £	Profit and loss account £	Total £
At 1 June 2005	145,037	46,695	191,732
Premium on issue of shares	67,252		67,252
Retained profit for the year		30,443	30,443
Equity Dividends		(5,785)	(5,785)
At 31 May 2006	<u>212,289</u>	<u>71,353</u>	<u>283,642</u>

20. Reconciliation of movements in shareholders' funds	2006 £	2005 £
Profit for the year	30,443	11,797
Dividends	(5,785)	(5,016)
	<u>24,658</u>	<u>6,781</u>
Net proceeds of equity share issue	84,408	54,672
	<u>109,066</u>	<u>61,453</u>
Net addition to shareholders' funds	849,655	788,202
Opening shareholders' funds	<u>958,721</u>	<u>849,655</u>
Closing shareholders' funds	<u>958,721</u>	<u>849,655</u>

21. Related party transactions

The J W Group Limited and its directors are deemed to be related parties by virtue of the fact that they have influence over the operating and financial policies of the company. During the year there were the following related party transactions to be disclosed: the company contributed towards the running costs of J W Group Limited, with the J W Group Limited charging a management charge of £314,000 (2005 £288,000). At the year end the J W Group Limited owed J W Group Insurance & Risk Managers Limited £28,756 (2005 £336,503).

22. Ultimate parent undertaking

The company's ultimate parent undertaking is J W Group Limited, a company incorporated in Scotland.

J W GROUP INSURANCE & RISK MANAGERS LIMITED

Notes to the financial statements for the year ended 31 May 2006

continued

23. Gross cash flows

	2006 £	2005 £
Returns on investments and servicing of finance		
Interest received	64,225	47,399
Interest paid	(18,519)	(2,917)
Interest element of finance lease rental payments		(11,179)
	<u>45,706</u>	<u>33,303</u>
Taxation		
Corporation tax paid	<u>(19,319)</u>	<u>(11,072)</u>
Capital expenditure		
Payments to acquire intangible assets	(347,502)	(240,998)
Payments to acquire tangible assets	(67,186)	(108,156)
Receipts from sales of tangible assets	8,500	6,014
	<u>(406,188)</u>	<u>(343,140)</u>
Financing		
Issue of ordinary share capital	84,408	54,672
Other new long term loans	200,000	200,000
Other new short term loans		100,000
Repayment of other long term loans	(200,000)	
Repayment of other short term loans	(100,000)	
Capital element of finance leases and hire purchase contracts	(6,347)	(12,087)
Capital element of finance lease contracts	<u>(63,398)</u>	<u>(50,803)</u>
	<u>(85,337)</u>	<u>291,782</u>

J W GROUP INSURANCE & RISK MANAGERS LIMITED

Notes to the financial statements for the year ended 31 May 2006

continued

24. Analysis of changes in net funds

	Opening balance	Cash flows	Other changes	Closing balance
	£	£	£	£
Cash at bank and in hand	2,113,623	382,081		2,495,704
Overdrafts	(192,586)	(619,458)		(812,044)
	<u>1,921,037</u>	<u>(237,377)</u>		<u>1,683,660</u>
Debt due within one year	(100,000)	100,000		
Debt due after one year	(200,000)		200,000	
Finance leases and hire purchase contracts	(194,114)	69,745	(49,517)	(173,886)
	<u>(494,114)</u>	<u>169,745</u>	<u>150,483</u>	<u>(173,886)</u>
Net funds	<u><u>1,426,923</u></u>	<u><u>(67,632)</u></u>	<u><u>150,483</u></u>	<u><u>1,509,774</u></u>