

REGISTERED NUMBER: 1217536 (England and Wales)

Joseph W Burley and Partners Limited

Report of the Directors and

Financial Statements For The Year Ended 31 October 2001

Roddis Taylor Robinson
Chartered Accountants
Registered Auditors
275 Glossop Road
Sheffield
S10 2HB



Joseph W Burley and Partners Limited

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For The Year Ended 31 October 2001**

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Joseph W Burley and Partners Limited

**Company Information
For The Year Ended 31 October 2001**

DIRECTORS:

M J Mawson
M Burley
P A Dallyn

SECRETARY:

Mrs E Newton

REGISTERED OFFICE:

3rd Floor
Pegasus House
Glossop Road
Sheffield
South Yorkshire
S10 2QD

REGISTERED NUMBER:

1217536 (England and Wales)

AUDITORS:

Roddis Taylor Robinson
Chartered Accountants
Registered Auditors
275 Glossop Road
Sheffield
S10 2HB

BANKERS:

National Westminster Bank plc
42 High Street
Sheffield
S1 1QG

Joseph W Burley and Partners Limited

**Report of the Directors
For The Year Ended 31 October 2001**

The directors present their report with the financial statements of the company for the year ended 31 October 2001.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of insurance broking.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

The directors are disappointed to report that the company has incurred a loss for the year, after providing for taxation, amounting to £59,038.

DIVIDENDS

No dividends will be distributed for the year ended 31 October 2001.

DIRECTORS

The directors during the year under review were:

M J Mawson
M Burley
P A Dallyn

The directors holding office at 31 October 2001 did not hold any beneficial interest in the issued share capital of the company at 1 November 2000 or 31 October 2001.

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 to 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

The auditors, Roddis Taylor Robinson, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

6. 2 

Mrs E Newton - SECRETARY

Dated: 28 August 2002

Joseph W Burley and Partners Limited

**Report of the Independent Auditors to the Shareholders of
Joseph W Burley and Partners Limited**

We have audited the financial statements of Joseph W Burley and Partners Limited for the year ended 31 October 2001 on pages four to fifteen. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described on page two 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 Report of the Directors 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 Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

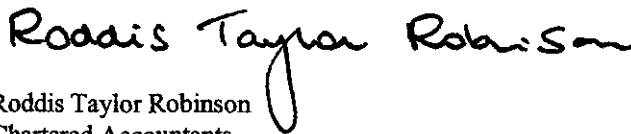
Basis of audit opinion

We conducted our audit in accordance with 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 October 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Roddis Taylor Robinson
Chartered Accountants
Registered Auditors
275 Glossop Road
Sheffield
S10 2HB

Dated: 28 August 2002

Joseph W Burley and Partners Limited

Profit and Loss Account
For The Year Ended 31 October 2001

	Notes	2001		2000	
		£	£	£	£
TURNOVER			104,393		118,800
Administrative expenses			159,047		124,788
			(54,654)		(5,988)
Other operating income			-		5,000
OPERATING LOSS	3		(54,654)		(988)
Interest payable and similar charges	4		2,664		785
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION			(57,318)		(1,773)
Tax on loss on ordinary activities	5		1,720		-
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION			(59,038)		(1,773)
Deficit brought forward:					
As previously reported		2,505		(16,117)	
Prior year adjustments	6	(20,395)		-	
As restated			(17,890)		(16,117)
DEFICIT CARRIED FORWARD			<u>£(76,928)</u>		<u>£(17,890)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

Joseph W Burley and Partners Limited

**Statement of Total Recognised Gains and Losses
For The Year Ended 31 October 2001**

	<u>2001</u>	<u>2000</u>
	£	£
LOSS FOR THE FINANCIAL YEAR	(59,038)	(1,773)
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	(59,038)	<u>£(1,773)</u>
Prior year adjustment	Note 6	
	(20,395)	
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT	<u>£(79,433)</u>	

The notes form part of these financial statements

Joseph W Burley and Partners Limited

Balance Sheet
31 October 2001

		2001		2000	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	7		36,457		2,231
CURRENT ASSETS:					
Debtors	8	55,169		66,780	
Cash at bank		848		22,259	
		56,017		89,039	
CREDITORS: Amounts falling due within one year	9	37,098		3,693	
NET CURRENT ASSETS:			18,919		85,346
TOTAL ASSETS LESS CURRENT LIABILITIES:			55,376		87,577
CREDITORS: Amounts falling due after more than one year	10		42,304		15,467
			£13,072		£72,110
CAPITAL AND RESERVES:					
Called up share capital	14		90,000		90,000
Profit and loss account			(76,928)		(17,890)
SHAREHOLDERS' FUNDS:	18		£13,072		£72,110

ON BEHALF OF THE BOARD:



M Burley - DIRECTOR

Approved by the Board on 28 August 2002

The notes form part of these financial statements

Joseph W Burley and Partners Limited

Cash Flow Statement
For The Year Ended 31 October 2001

	Notes	2001		2000	
		£	£	£	£
Net cash (outflow)/inflow from operating activities	1		(23,926)		7,779
Returns on investments and servicing of finance	2		(2,664)		(785)
Capital expenditure	2		(10,685)		(2,231)
			<u>(37,275)</u>		<u>4,763</u>
Financing	2		4,349		17,496
(Decrease)/Increase in cash in the period			<u>£(32,926)</u>		<u>£22,259</u>
Reconciliation of net cash flow to movement in net funds	3				
(Decrease)/Increase in cash in the period			(32,926)	22,259	
Cash outflow from decrease in debt and lease financing			<u>3,596</u>	<u>-</u>	
Change in net funds resulting from cash flows			(29,330)		22,259
New finance leases			<u>(30,027)</u>		<u>-</u>
Movement in net funds in the period			(59,357)		22,259
Net funds at 1 November			<u>22,259</u>		<u>-</u>
Net (debt)/funds at 31 October			<u>£(37,098)</u>		<u>£22,259</u>

The notes form part of these financial statements

Joseph W Burley and Partners Limited

Notes to the Cash Flow Statement
For The Year Ended 31 October 2001

1. RECONCILIATION OF OPERATING LOSS TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2001 £	2000 £
Operating loss	(54,654)	(988)
Depreciation charges	6,486	-
Decrease in debtors	9,891	14,273
Increase/(Decrease) in creditors	14,351	(5,506)
	<u> </u>	<u> </u>
Net cash (outflow)/inflow from operating activities	<u>(23,926)</u>	<u>7,779</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2001 £	2000 £
Returns on investments and servicing of finance		
Interest paid	(1,278)	(785)
Interest element of hire purchase payments	<u>(1,386)</u>	<u>-</u>
Net cash outflow for returns on investments and servicing of finance	<u>(2,664)</u>	<u>(785)</u>
 Capital expenditure		
Purchase of tangible fixed assets	<u>(10,685)</u>	<u>(2,231)</u>
Net cash outflow for capital expenditure and financial investment	<u>(10,685)</u>	<u>(2,231)</u>
 Financing		
New loan taken out in year	10,000	18,391
Loan repayments in year	(2,055)	(895)
New finance leases	<u>(3,596)</u>	<u>-</u>
Net cash inflow from financing	<u>4,349</u>	<u>17,496</u>

The notes form part of these financial statements

Joseph W Burley and Partners Limited

Notes to the Cash Flow Statement
For The Year Ended 31 October 2001

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.11.00 £	Cash flow £	Other non-cash changes £	At 31.10.01 £
Net cash:				
Cash at bank	22,259	(21,411)		848
Bank overdraft	-	(11,515)		(11,515)
	<u>22,259</u>	<u>(32,926)</u>		<u>(10,667)</u>
Debt:				
Hire purchase	-	3,596	(30,027)	(26,431)
	<u>-</u>	<u>3,596</u>	<u>(30,027)</u>	<u>(26,431)</u>
Total	<u>22,259</u>	<u>(29,330)</u>	<u>(30,027)</u>	<u>(37,098)</u>
Analysed in Balance Sheet				
Cash at bank	22,259			848
Bank overdraft	-			(11,515)
Hire purchase				
within one year	-			(6,324)
after one year	-			(20,107)
	<u>22,259</u>			<u>(37,098)</u>

Joseph W Burley and Partners Limited

Notes to the Financial Statements
For The Year Ended 31 October 2001

1. ACCOUNTING POLICIES

Accounting convention

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

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% straight line

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

2. STAFF COSTS

	2001	2000
	£	£
Wages and salaries	68,452	26,586
Social security costs	8,222	1,885
Other pension costs	1,696	467
	<u>78,370</u>	<u>28,938</u>

The average monthly number of employees during the year was as follows:

	2001	2000
Accounts and management	<u>4</u>	<u>4</u>

Joseph W Burley and Partners Limited

**Notes to the Financial Statements
For The Year Ended 31 October 2001**

3. OPERATING LOSS

The operating loss is stated after charging:

	2001	2000
	£	£
Hire of plant and machinery	564	-
Motor vehicle leasing	1,234	3,885
Depreciation - owned assets	2,294	-
Depreciation - assets on hire purchase contracts	4,192	-
Auditors' remuneration	<u>1,200</u>	<u>1,200</u>
Directors' emoluments	33,507	38,999
Directors' pension contributions to money purchase schemes	<u>670</u>	<u>-</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>-</u>
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4. INTEREST PAYABLE AND SIMILAR CHARGES

	2001	2000
	£	£
Bank loan interest	1,278	785
Hire purchase	<u>1,386</u>	<u>-</u>
	<u>2,664</u>	<u>785</u>

5. TAXATION

The tax charge on the loss on ordinary activities for the year was as follows:

	2001	2000
	£	£
UK corporation tax - prior periods	<u>1,720</u>	<u>-</u>

6. PRIOR YEAR ADJUSTMENTS

A prior year adjustment has been made in the accounts restating the comparative figures to include an unrecorded liability which amounted to £20,396.

Joseph W Burley and Partners Limited

Notes to the Financial Statements
For The Year Ended 31 October 2001

7. TANGIBLE FIXED ASSETS

	Fixtures and fittings	Motor vehicles	Computer equipment	Totals
	£	£	£	£
COST:				
At 1 November 2000	-	-	2,231	2,231
Additions	4,071	35,042	1,599	40,712
	<u>4,071</u>	<u>35,042</u>	<u>1,599</u>	<u>40,712</u>
At 31 October 2001	4,071	35,042	3,830	42,943
	<u>4,071</u>	<u>35,042</u>	<u>3,830</u>	<u>42,943</u>
DEPRECIATION:				
Charge for year	1,017	4,192	1,277	6,486
	<u>1,017</u>	<u>4,192</u>	<u>1,277</u>	<u>6,486</u>
At 31 October 2001	1,017	4,192	1,277	6,486
	<u>1,017</u>	<u>4,192</u>	<u>1,277</u>	<u>6,486</u>
NET BOOK VALUE:				
At 31 October 2001	3,054	30,850	2,553	36,457
	<u>3,054</u>	<u>30,850</u>	<u>2,553</u>	<u>36,457</u>
At 31 October 2000	-	-	2,231	2,231
	<u>-</u>	<u>-</u>	<u>2,231</u>	<u>2,231</u>

The net book value of tangible fixed assets includes £30,850 (2000 - £0) in respect of assets held under hire purchase contracts.

8. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	2001 £	2000 £
Trade debtors	14,491	17,109
Other debtors	32,734	40,007
Corporation tax	7,944	9,664
	<u>55,169</u>	<u>66,780</u>

9. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	2001 £	2000 £
Bank loans and overdrafts (see note 11)	14,759	2,029
Hire purchase contracts (see note 12)	6,324	-
Social security & other taxes	3,339	464
Accrued expenses	12,676	1,200
	<u>37,098</u>	<u>3,693</u>

Joseph W Burley and Partners Limited

Notes to the Financial Statements
For The Year Ended 31 October 2001

10. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR

	2001 £	2000 £
Bank loans (see note 11)	22,197	15,467
Hire purchase contracts (see note 12)	20,107	-
	<u>42,304</u>	<u>15,467</u>

11. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2001 £	2000 £
Amounts falling due within one year or on demand:		
Bank overdrafts	11,515	-
Bank loans	3,244	2,029
	<u>14,759</u>	<u>2,029</u>

Amounts falling due between one and two years:

Bank loans	<u>3,479</u>	<u>2,176</u>
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Amounts falling due between two and five years:

Bank loans	<u>12,020</u>	<u>7,516</u>
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Amounts falling due in more than five years:

Repayable by instalments		
Bank loans	<u>6,698</u>	<u>5,775</u>

Joseph W Burley and Partners Limited

Notes to the Financial Statements
For The Year Ended 31 October 2001

12. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	2001 £	2000 £
Gross obligations repayable:		
Within one year	8,420	-
Between one and five years	22,888	-
	<u>31,308</u>	<u>-</u>
Finance charges repayable:		
Within one year	2,096	-
Between one and five years	2,781	-
	<u>4,877</u>	<u>-</u>
Net obligations repayable:		
Within one year	6,324	-
Between one and five years	20,107	-
	<u>26,431</u>	<u>-</u>

13. SECURED DEBTS

The following secured debts are included within creditors:

	2001 £	2000 £
Bank loans	25,441	17,496
Hire purchase contracts	26,431	-
	<u>51,872</u>	<u>17,496</u>

14. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2001 £	2000 £
500,000	Ordinary	£1	<u>500,000</u>	<u>500,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2001 £	2000 £
90,000	Ordinary	£1	<u>90,000</u>	<u>90,000</u>

15. CONTINGENT LIABILITIES

The company, in common with similar organisations engaged in investment business, is currently involved in a Pension Review Process and a number of cases were still under review at the year end. In the event that compensation is found to be payable to claimants, the estimated potential cost to the company is £38,000.

Joseph W Burley and Partners Limited

Notes to the Financial Statements
For The Year Ended 31 October 2001

16. **TRANSACTIONS WITH DIRECTORS**

During the year the company paid commission of £1,553 to Mr M Burley and £2,028 to Mr P A Dallyn in respect of policies taken out by these two directors.

17. **RELATED PARTY DISCLOSURES**

Transactions

During the year the company paid management charges amounting to £29,139 to Joseph W Burley and Partners (UK) Limited, a company under common control. The company made recharges in respect of payroll costs amounting to £10,654 to Watts Financial Services Limited, a company also under common control.

Balances

Included in debtors at the year end were amounts owing from companies under common control of £30,234 from Joseph W Burley and Partners (UK) Limited and £2,500 from Saxonholme Consulting Limited.

Controlling party

The company is under the control of Mrs P Burley by virtue of her shareholding.

18. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2001 £	2000 £
Loss for the financial year	(59,038)	(1,773)
Net reduction of shareholders' funds	(59,038)	(1,773)
Opening shareholders' funds (originally £92,505 before prior year adjustment of £(20,395))	72,110	73,883
Closing shareholders' funds	13,072	72,110
Equity interests	13,072	72,110