

CAPITAL & COUNTIES GROUP LIMITED

Company No. 2090377

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30TH JUNE 2001



Capital & Counties Group Limited

Company Information

Directors

L.C. Earl, FFA, FCIB, FFBA, FInstM (Managing)
J.M. Cookson, LLB (Hons)
A.J. Kent
M.D. Lock, FCA, FBIM
R.W. Barrand, FCA

Secretary

R.W. Barrand, FCA

Registered Office

9-13 Fenchurch Buildings
Fenchurch Street
London
EC3M 5HR

Bankers

Lloyds Bank plc
Highbury Corner Branch
31-33 Holloway Road
London
N7 8JP

Auditors

Kingston Smith
Devonshire House
60 Goswell Road
London
EC1M 7AD

Capital & Counties Group Limited

Report of the Directors

The directors present their report and financial statements for the year ended 30th June 2001.

Principal activity and business review

The company carried on the business of a group holding company. A subsidiary was a member of the Personal Investment Authority during the year under review and carried on the business of independent financial advisers.

The directors were satisfied with the group's result for the year and the financial position at the year end.

Future developments

The directors continually review each and every aspect of the group's affairs to take advantage of opportunities as they arise.

Results and dividends

The results of the group for the period are set out on page 3.

The directors do not recommend the payment of a dividend.

Directors

The directors who served the company throughout the year, together with their interests in the shares of the company, at the beginning and end of the year, were as follows:

	Ordinary Shares of £ 1 each		'A' Ordinary Shares of £1 each	
	30th June 2001	30th June 2000	30th June 2001	30th June 2000
L.C. Earl, FFA, FCIB, FFBA, FInstM (Managing)	8,500	8,500	250,000	250,000
J.M. Cookson, LLB (Hons)	500	500	-	-
A.J. Kent	500	500	-	-
M.D. Lock, FCA, FBIM	500	500	-	-
R.W. Barrand, FCA	-	-	-	-

Mr. L.C. Earl also has subsidiary company shareholdings (including family interests) of 2,501 ordinary shares in Capital & Counties (Insurance Consultants) Limited and 25,000 ordinary shares in Capital & Counties (Financial Services) Limited.

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 group and of the profit or loss of the group 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; and prepare the financial statements on a going concern basis unless it is inappropriate to assume 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 group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Kingston Smith have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors to the company for the ensuing year.

On Behalf of the Board

L.C. Earl
Director

9-13 Fenchurch Buildings
Fenchurch Street
London
EC3M 5HR

Date:

14th September 2002

Capital & Counties Group Limited

Independent Auditors' Report to the Shareholders of Capital & Counties Group Limited

We have audited the financial statements of Capital & Counties Group Limited for the year ended 30th June 2001 which comprise the Consolidated Profit and Loss Account, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated 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.

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.

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 the directors' remuneration and transactions with the company and other members of the group 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 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.

Going Concern

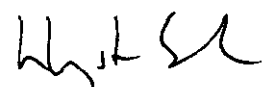
In forming our opinion, we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the continuation of the financial support given by L.C. Earl, director and shareholder, and of the group's bankers. In view of the significance of this matter we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the state of the group's and the company's affairs as at 30th June 2001 and of the group's loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Devonshire House
60 Goswell Road
London EC1M 7AD

Date: 5th September 2002



Kingston Smith
Chartered Accountants
and Registered Auditors

Capital & Counties Group Limited
Consolidated Profit and Loss Account
For the year ended 30th June 2001

	Note	2001 £	2000 £
Turnover	2	471,092	685,166
Administrative expenses		<u>(533,928)</u>	<u>(594,972)</u>
Operating (loss)/profit	3	(62,836)	90,194
Interest payable and similar charges	4	<u>(12,034)</u>	<u>(38,479)</u>
(Loss)/profit on ordinary activities before taxation		(74,870)	51,715
Taxation	5	<u>1,838</u>	<u>(2,898)</u>
(Loss)/profit on ordinary activities after taxation		(73,032)	48,817
Minority interests		<u>17,758</u>	<u>(12,204)</u>
(Loss)/profit for the financial year	14	<u><u>(55,274)</u></u>	<u><u>36,613</u></u>

There are no recognised gains or losses in the year other than the loss for the year.

Capital & Counties Group Limited

Consolidated Balance Sheet at 30th June 2001

	Note	2001 £	2000 £
Fixed Assets			
Tangible assets	7	48,505	39,890
Current Assets			
Debtors	9	335,671	258,586
Cash at bank and in hand		<u>10,859</u>	<u>3</u>
		346,530	258,589
Creditors: Amounts falling due within one year	10	<u>(364,060)</u>	<u>(140,818)</u>
Net Current (Liabilities)/Assets		<u>(17,530)</u>	<u>117,771</u>
Total Assets less Current Liabilities		30,975	157,661
Creditors: Amounts falling due after more than one year	11	-	(53,654)
Provision for Liabilities and Charges	13	<u>(1,000)</u>	<u>(1,000)</u>
Net Assets		<u>29,975</u>	<u>103,007</u>
Capital and Reserves			
Called up share capital	15	260,000	260,000
Capital reserve	14	13,956	13,956
Other reserve	14	5,000	7,000
Profit and loss account	14	<u>(280,505)</u>	<u>(227,231)</u>
Shareholders' Funds		(1,549)	53,725
Minority interest - equity interest		<u>31,524</u>	<u>49,282</u>
		<u>29,975</u>	<u>103,007</u>

Approved by the board on

H. L. P. Lupton

L.C. Earl

Director

Capital & Counties Group Limited
Company Balance Sheet at 30th June 2001

	Note	2001		2000	
		£	£	£	£
Fixed Assets					
Tangible assets	7		5,000		7,000
Investments	8		<u>75,000</u>		<u>75,000</u>
			80,000		82,000
Current Assets					
Debtors	9	169,619		104,283	
Cash at bank and in hand		<u>2</u>		<u>2</u>	
		169,621		104,285	
Creditors: Amounts falling due within one year	10	<u>(284,552)</u>		<u>(126,189)</u>	
Net Current Liabilities			<u>(114,931)</u>		<u>(21,904)</u>
Total Assets less Current Liabilities			(34,931)		60,096
Creditors: Amounts falling due after more than one year	11		<u>-</u>		<u>(52,799)</u>
Net (Liabilities)/Assets			<u>(34,931)</u>		<u>7,297</u>
Capital and Reserves					
Called up share capital	15		260,000		260,000
Other reserve	14		5,000		7,000
Profit and loss account	14		<u>(299,931)</u>		<u>(259,703)</u>
Shareholders' Funds			<u>(34,931)</u>		<u>7,297</u>

Approved by the board on

4th September 2002

I.C. Earl

Director

Capital & Counties Group Limited
Consolidated Cash Flow Statement
For the year ended 30th June 2001

	Note	2001	2000
		£	£
Net Cash Inflow from Operating Activities	1	33,430	109,543
Returns on Investments and Servicing of Finance			
Interest paid		(11,565)	(37,128)
Interest element of finance lease rentals		<u>(469)</u>	<u>(1,351)</u>
Net Cash Outflow from Returns on Investments and Servicing of Finance		(12,034)	(38,479)
Taxation Paid		(1,060)	(2,512)
Capital Expenditure and Financial Investment			
Payments to acquire tangible fixed assets		(17,593)	-
Proceeds from sale of tangible fixed assets		<u>-</u>	<u>5,500</u>
		<u>(17,593)</u>	<u>5,500</u>
		2,743	74,052
Financing			
Capital element of finance lease rental payments		(2,443)	(12,269)
Repayment of bank loan		<u>(27,104)</u>	<u>(24,707)</u>
		<u>(29,547)</u>	<u>(36,976)</u>
(Decrease)/Increase in Cash	3	<u><u>(26,804)</u></u>	<u><u>37,076</u></u>

Capital & Counties Group Limited
Notes to the Consolidated Cash Flow Statement
For the year ended 30th June 2001

1	Reconciliation of Operating (Loss)/Profit to Net Cash Inflow from Operating Activities	2001 £	2000 £		
	Operating (loss)/profit	(62,836)	90,194		
	Depreciation charges	8,978	14,894		
	Profit on sale of fixed assets	-	(2,312)		
	(Increase)/decrease in debtors	(77,085)	121,410		
	Increase/(decrease) in creditors	<u>164,373</u>	<u>(114,643)</u>		
	Net cash inflow from operating activities	<u><u>33,430</u></u>	<u><u>109,543</u></u>		
2	Reconciliation of Net Cash Flow to Movement in Net Debt	2001 £	2000 £		
	(Decrease)/increase in cash in the year	(26,804)	37,076		
	Cash outflow from lease financing	2,443	12,269		
	Repayment of loan	<u>27,104</u>	<u>24,707</u>		
	Change in net debt	2,743	74,052		
	Net debt at 1st July 2000	<u>(142,201)</u>	<u>(216,253)</u>		
	Net debt at 30th June 2001	<u><u>(139,458)</u></u>	<u><u>(142,201)</u></u>		
3	Analysis of Changes in Net Debt	Cash Flow	Other Changes		
	1.7.2000	£	£	30.6.2001	
	£	£	£	£	
	Cash at bank and in hand	3	10,856	-	10,859
	Bank overdraft	(60,907)	<u>(37,660)</u>		(98,567)
			(26,804)		
	Debt due within one year	(25,200)	27,104	(52,799)	(50,895)
	Debt due after one year	(52,799)	-	52,799	-
	Finance leases	<u>(3,298)</u>	<u>2,443</u>	<u>-</u>	<u>(855)</u>
	Total	<u>(142,201)</u>	<u>2,743</u>	<u>-</u>	<u>(139,458)</u>

Capital & Counties Group Limited

Notes to the Financial Statements

For the year ended 30th June 2001

1 Accounting Policies

Accounting Basis and Standards

The financial statements have been prepared under the historical cost convention, modified by the revaluation of certain fixed assets, and in accordance with applicable accounting standards.

The financial statements have been prepared on a going concern basis which assumes the continued financial support of L.C. Earl, director and shareholder, for which written assurances have been received, and of the group's bankers.

Basis of Consolidation

The group accounts consolidate the accounts of Capital & Counties Group Limited and both its subsidiary undertakings. No profit and loss account is presented for Capital & Counties Group Limited as permitted by section 230 of the Companies Act 1985.

The consolidated loss for the financial year includes a loss of £42,228 (2000 - £2,000) which is dealt with in the financial statements of the parent company.

Depreciation

Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates:

Leasehold improvements	over 10 year period of lease
Fixtures and fittings	15% reducing balance
Motor vehicles	25% straight line

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease.

Rentals paid under operating leases are charged to income over the lease term.

Deferred Taxation

Deferred tax is accounted for under the liability method in respect of the taxation effects of all timing differences which are expected to reverse in the future, calculated at the rate at which it is estimated that tax will be payable.

Pension Scheme Arrangements

The group operates a defined contribution scheme for the benefit of its employees. Contributions are charged against profits when payable.

2 Turnover

Turnover is attributable to the one principal activity of group which arose wholly in the United Kingdom.

In the case of insurance broking it is not practical to match revenue earned with associated costs, therefore the group recognises commission receivable on the commencement of a policy. Provision is made for the potential cancellation of policies.

Renewal commission is recognised when received.

Capital & Counties Group Limited
Notes to the Financial Statements
For the year ended 30th June 2001 (Continued)

3 Operating (Loss)/Profit	2001	2000
	£	£
This is stated after charging:		
Auditors' remuneration	10,685	10,943
Depreciation - owned assets	6,518	9,248
- assets held under finance leases	2,460	5,646
Profit on sale of fixed assets	-	(2,312)
Operating lease rentals	85,000	85,000
Exceptional item - bad debt provision (see note 9)	86,991	-
	<u>86,991</u>	<u>-</u>
4 Interest Payable and Similar Charges	2001	2000
	£	£
Bank overdraft and loan interest	11,456	25,086
Finance lease and hire purchase charges	469	1,351
Other interest payable	109	12,042
	<u>12,034</u>	<u>38,479</u>
5 Taxation	2001	2000
	£	£
UK Corporation tax on income for the current year	-	1,838
Adjustment in respect of prior period	(1,838)	1,060
	<u>(1,838)</u>	<u>2,898</u>
6 Directors and Employees	2001	2000
	£	£
Staff costs during the year were as follows:		
Wages and salaries	107,207	103,894
Social security costs	10,295	10,397
Pension costs	18,000	16,000
	<u>135,502</u>	<u>130,291</u>
The average monthly number of persons employed by the group, including directors, during the year was 5 (2000 - 5). Due to the size of the group there is no formal classification of duties.		
Directors' Emoluments:	£	£
Emoluments	15,000	25,000
Company contributions to money purchase pension schemes	18,000	16,000
	<u>33,000</u>	<u>41,000</u>

Capital & Counties Group Limited
Notes to the Financial Statements
For the year ended 30th June 2001 (Continued)

7 Tangible Assets	Leasehold Improvements	Fixtures and Fittings	Motor Vehicles	Total
Group Cost or Valuation	£	£	£	£
At 1st July 2000	20,000	192,178	9,830	222,008
Additions	-	17,593	-	17,593
At 30th June 2001	20,000	209,771	9,830	239,601
Depreciation				
At 1st July 2000	13,000	162,354	6,764	182,118
Charge for the year	2,000	4,518	2,460	8,978
At 30th June 2001	15,000	166,872	9,224	191,096
Net Book Value				
At 30th June 2001	5,000	42,899	606	48,505
At 30th June 2000	7,000	29,824	3,066	39,890

Leasehold improvements were valued by the directors on 1st January 1994 at £20,000.

The net book value of fixed assets of £48,505 (2000 - £39,890) includes an amount of £606 (2000 - £3,066) in respect of assets held under finance leases and hire purchase contracts.

Company Cost or Valuation	Leasehold Improvements £
At 1st July 2000 and at 30th June 2001	20,000
Depreciation	
At 1st July 2000	13,000
Charge for the year	2,000
At 30th June 2001	15,000
Net Book Value	
At 30th June 2001	5,000
At 30th June 2000	7,000

8 Investments	Subsidiary Undertakings £
Company Cost	
At 1st July 2000 and at 30th June 2001	82,499
Amounts Provided	
At 1st July 2000 and at 30th June 2001	7,499
Net Book Value	
At 30th June 2001	75,000
At 30th June 2000	75,000

Capital & Counties Group Limited
Notes to the Financial Statements
For the year ended 30th June 2001 (Continued)

8 Investments (Continued)

The investment in Capital & Counties (Insurance Consultants) Limited was written down to £Nil during the year ended 31st December 1996.

The following details relate to the company's subsidiary undertakings:

Name	Country of Incorporation	Percentage of Ordinary Shares held	Nature of Business
Capital & Counties (Financial Services) Limited	England	75%	Independent financial advisors
Capital & Counties (Insurance Consultants) Limited	England	75%	Insurance consultants

The results for subsidiary companies for the year ended 30th June 2001 were as follows:

	Loss for year £	Aggregate Capital and Reserves £
Capital & Counties (Financial Services) Limited	<u>(3,328)</u>	<u>103,701</u>
Capital & Counties (Insurance Consultants) Limited	<u>(67,704)</u>	<u>(256,227)</u>

9 Debtors

	Group		Company	
	2001 £	2000 £	2001 £	2000 £
Amounts falling due within one year:				
Trade debtors	135,893	128,692	-	-
Amounts owed by group undertakings	-	-	56,066	53,890
Other debtors	93,140	83,857	6,915	4,356
Prepayments and accrued income	<u>106,638</u>	<u>46,037</u>	<u>106,638</u>	<u>46,037</u>
	<u>335,671</u>	<u>258,586</u>	<u>169,619</u>	<u>104,283</u>

At 30th June 2001 the group was owed an amount of £69,120 (2000 - £69,120) for commission due in respect of a group pension scheme. Administrative problems with a major insurance company delayed payment of commission and a legal action was instituted. The directors anticipate the favourable resolution of this claim. Nevertheless, the directors consider it prudent to make a bad debt provision in full against this amount; and it has been charged to the profit and loss account in the year under review.

In addition, the group was owed a further amount of £17,871 from the same company.

Capital & Counties Group Limited
Notes to the Financial Statements
For the year ended 30th June 2001 (Continued)

10 Creditors: Amounts falling due within one year

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Bank loans and overdrafts	149,462	86,107	149,462	86,107
Trade creditors	82,255	16,293	79,218	7,005
Other creditors	5,823	63	-	63
Corporation tax	-	2,898	-	-
Social security and taxation	19,273	2,172	19,273	2,172
Obligations under finance leases and hire purchase contracts	855	2,443	-	-
Accruals and deferred income	106,392	30,842	36,599	30,842
	<u>364,060</u>	<u>140,818</u>	<u>284,552</u>	<u>126,189</u>

11 Creditors: Amounts falling due after more than one year

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Bank loans	-	52,799	-	52,799
Obligations under finance lease and hire purchase contracts	-	855	-	-
	<u>-</u>	<u>53,654</u>	<u>-</u>	<u>52,799</u>

12 Analysis of Borrowings

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Borrowings are repayable as follows:				
Within one year	149,462	86,107	149,462	86,107
In more than one year but not more than two years	-	25,200	-	25,200
In more than two years but not more than five years	-	27,599	-	27,599
	<u>149,462</u>	<u>138,906</u>	<u>149,462</u>	<u>138,906</u>

The company has a business loan account repayable by monthly instalments; it was repaid in December 2001. Interest is charged at 3% above bank base rate.

Capital & Counties Group Limited
Notes to the Financial Statements
For the year ended 30th June 2001 (Continued)

13 Provision for Liabilities and Charges

Provision for the withdrawal of commission on cancelled policies has been made in these financial statements in accordance with the accounting policy described in note 2. The amount provided and the full potential liability are as follows:

	2001 Amount Provided £	2001 Potential Liability £	2000 Amount Provided £	2000 Potential Liability £
Provision for withdrawal of commission	<u>1,000</u>	<u>20,889</u>	<u>1,000</u>	<u>29,029</u>
Movements on the provision are:			2001 £	2000 £
Balance at 1st July 2000			1,000	10,000
Amount transferred to the profit and loss account in the year			<u>-</u>	<u>(9,000)</u>
Balance at 30th June 2001			<u>1,000</u>	<u>1,000</u>

14 Shareholders' Funds

	Profit and Loss Account £	Capital Reserve £	Revaluation Reserve £	Share Capital £	Total £
Group - 2001					
At 1st July 2000	(227,231)	13,956	7,000	260,000	53,725
Loss for the year	(55,274)	-	-	-	(55,274)
Transfer of depreciation charge on leasehold improvements	<u>2,000</u>	<u>-</u>	<u>(2,000)</u>	<u>-</u>	<u>-</u>
At 30th June 2001	<u>(280,505)</u>	<u>13,956</u>	<u>5,000</u>	<u>260,000</u>	<u>(1,549)</u>
Company					
At 1st July 2000	(259,703)	-	7,000	260,000	7,297
Loss for the year	(42,228)	-	-	-	(42,228)
Transfer of depreciation charge on leasehold improvements	<u>2,000</u>	<u>-</u>	<u>(2,000)</u>	<u>-</u>	<u>-</u>
At 30th June 2001	<u>(299,931)</u>	<u>-</u>	<u>5,000</u>	<u>260,000</u>	<u>(34,931)</u>

The movement in shareholders' funds in the previous year are set out below:

	Profit and Loss Account £	Capital Reserve £	Revaluation Reserve £	Share Capital £	Total £
Group - 2000					
At 1st July 1999	(265,844)	13,956	9,000	260,000	17,112
Profit for the year	36,613	-	-	-	36,613
Transfer of depreciation charge on leasehold improvements	<u>2,000</u>	<u>-</u>	<u>(2,000)</u>	<u>-</u>	<u>-</u>
At 30th June 2000	<u>(227,231)</u>	<u>13,956</u>	<u>7,000</u>	<u>260,000</u>	<u>53,725</u>
Company					
At 1st July 1999	(259,703)	-	9,000	260,000	9,297
Loss for the year	(2,000)	-	-	-	(2,000)
Transfer of depreciation charge on leasehold improvements	<u>2,000</u>	<u>-</u>	<u>(2,000)</u>	<u>-</u>	<u>-</u>
At 30th June 2000	<u>(259,703)</u>	<u>-</u>	<u>7,000</u>	<u>260,000</u>	<u>7,297</u>

Capital & Counties Group Limited
Notes to the Financial Statements
For the year ended 30th June 2001 (Continued)

15 Share Capital

	2001 £	2000 £
Group and Company		
Authorised:		
100,000 £1 Ordinary shares	100,000	100,000
400,000 £1 'A' Ordinary shares	400,000	400,000
	<u>500,000</u>	<u>500,000</u>
Allotted, called up and fully paid:		
10,000 £1 Ordinary shares	10,000	10,000
250,000 £1 'A' Ordinary shares	250,000	250,000
	<u>260,000</u>	<u>260,000</u>

16 Future Financial Commitments

(a) Finance Leases and Hire Purchase Contracts

At 30th June 2001 the group had obligations under finance leases and hire purchase contracts which are set out below:

	2001 £	2000 £
Gross amount payable:		
Within one year	1,011	2,913
Between two and five years	-	1,011
	<u>1,011</u>	<u>3,924</u>
Less: Future finance charges	(156)	(626)
	<u>855</u>	<u>3,298</u>

(b) Operating Leases

At 30th June 2001 the group had annual commitments under operating leases as set out below:

	Land and Buildings 2001 £	Land and Buildings 2000 £
Operating leases which expire:		
In two to five years	<u>85,000</u>	<u>85,000</u>

17 Controlling Party

The controlling party is Mr. L.C. Earl, director, by virtue of his shareholding in the company.

Mr. L.C. Earl has given a personal guarantee to the bank in respect of group bank borrowings.

The company has given written assurances to a subsidiary company Capital & Counties (Insurance Consultants) Limited of its continued financial support for the foreseeable future.

18 Directors' Interests in Transactions

During the year, amounts of £14,031 (2000 - £96,500) were payable in respect of commission to Lawrence Charles Earl & Co., a business in which the director L.C. Earl has a financial interest.

Included in other debtors is an amount of £77,000 due from Lawrence Charles Earl & Co. in respect of commissions repayable.

During the year under review expenses of £22,714 (2000 - £22,518) were re-charged to Lawrence Charles Earl & Co.

During the year an amount of £33,000 (2000 - £30,000) was paid in respect of accounting services provided by a firm in which the director R.W. Barrand has a financial interest.