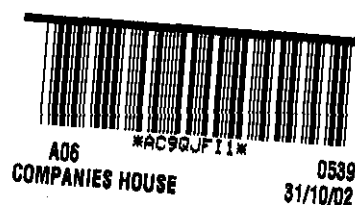


6/1/02

TAVISTOCK INSURANCE SERVICES LTD
FINANCIAL STATEMENTS
FOR
31ST DECEMBER 2001

Company Registration Number 02106973



JERROM AND COMPANY
Chartered Accountants & Registered Auditors
Effra House
34 High Street
Ewell
Surrey
KT17 1RW

TAVISTOCK INSURANCE SERVICES LTD
FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2001

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TAVISTOCK INSURANCE SERVICES LTD

THE DIRECTOR'S REPORT

YEAR ENDED 31ST DECEMBER 2001

The director presents his report and the financial statements of the company for the year ended 31st December 2001.

PRINCIPAL ACTIVITIES

The principal activity of the company is insurance broking, with particular emphasis on life assurance and pensions..

THE DIRECTOR AND HIS INTERESTS IN SHARES OF THE COMPANY

The director who served the company during the year together with his beneficial interests in the shares of the company was as follows:

	Ordinary Shares of £1 each	
	At	At
	31 December 2001	1 January 2001
M J Kemp	<u>10,000</u>	<u>10,000</u>

DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the director is required to select suitable accounting policies, as described on page 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The director must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. The director is 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 to re-appoint Jerrom and Company as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

TAVISTOCK INSURANCE SERVICES LTD

THE DIRECTOR'S REPORT *(continued)*

YEAR ENDED 31ST DECEMBER 2001

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:

Effra House

34 High Street

Ewell

Surrey

KT17 1RW

Signed by order of the director

A handwritten signature in black ink, appearing to read 'M. Mulcahy', with a large, stylized loop at the end.

M MULCAHY

Company Secretary

Approved by the director on 30th October 2002

TAVISTOCK INSURANCE SERVICES LTD
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
YEAR ENDED 31ST DECEMBER 2001

We have audited the financial statements on pages 5 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 7 .

RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND THE AUDITORS

The director's responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Director's Responsibilities on page 1.

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 director's 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 director's remuneration and transactions with the company is not disclosed.

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

TAVISTOCK INSURANCE SERVICES LTD
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS *(CONTINUED)*
YEAR ENDED 31ST DECEMBER 2001

OPINION

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

Effra House
34 High Street
Ewell
Surrey
30th October 2002

KT17 1RW


JERROM AND COMPANY
Chartered Accountants
& Registered Auditors

TAVISTOCK INSURANCE SERVICES LTD
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST DECEMBER 2001

	Note	2001 £	2000 £
TURNOVER		257,998	147,764
Administrative expenses		274,335	145,281
Other operating income		(3,333)	—
OPERATING (LOSS)/PROFIT	2	(13,004)	2,483
Interest payable		1,203	1,555
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(14,207)	928
Tax on (loss)/profit on ordinary activities		—	—
(LOSS)/RETAINED PROFIT FOR THE FINANCIAL YEAR		(14,207)	928
Balance brought forward		7,492	6,564
Balance carried forward		(6,715)	7,492

TAVISTOCK INSURANCE SERVICES LTD

BALANCE SHEET

31ST DECEMBER 2001

	Note	2001 £	£	2000 £	£
FIXED ASSETS					
Tangible assets	4		12,620		16,828
CURRENT ASSETS					
Debtors	5	67,781		28,861	
Cash at bank and in hand		<u>7,449</u>		<u>8,249</u>	
		75,230		37,110	
CREDITORS: Amounts falling due within one year	6	<u>52,709</u>		<u>23,793</u>	
NET CURRENT ASSETS			<u>22,521</u>		<u>13,317</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>35,141</u>		<u>30,145</u>
CREDITORS: Amounts falling due after more than one year	7		<u>21,856</u>		<u>2,653</u>
			<u>13,285</u>		<u>27,492</u>
CAPITAL AND RESERVES					
Called-up equity share capital	10		20,000		20,000
Profit and Loss Account			<u>(6,715)</u>		<u>7,492</u>
SHAREHOLDERS' FUNDS			<u>13,285</u>		<u>27,492</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved and signed by the director on 30th October 2002

M J KEMP



TAVISTOCK INSURANCE SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Motor Vehicles - 25% Reducing balance basis

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the Profit and Loss Account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

2. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging:

	2001	2000
	£	£
Depreciation	4,208	5,657
Auditors' fees	<u>4,000</u>	<u>—</u>

3. DIRECTOR'S EMOLUMENTS

The director's aggregate emoluments in respect of qualifying services were:

	2001	2000
	£	£
Aggregate emoluments	<u>16,977</u>	<u>2,805</u>

TAVISTOCK INSURANCE SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

4. TANGIBLE FIXED ASSETS

	Plant and machinery etc. £
COST	
At 1st January 2001 and 31st December 2001	<u>33,705</u>
DEPRECIATION	
At 1st January 2001	16,877
Charge for the year	<u>4,208</u>
At 31st December 2001	<u>21,085</u>
NET BOOK VALUE	
At 31st December 2001	<u>12,620</u>
At 31st December 2000	<u>16,828</u>

Finance lease agreements

Included within the net book value of £12,620 is £12,620 (2000 - £16,828) relating to assets held under finance lease agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £4,208 (2000 - £5,657).

5. DEBTORS

	2001 £	2000 £
Trade debtors	26,566	18,782
Directors current accounts	15,568	—
Other debtors	<u>25,647</u>	<u>10,079</u>
	<u>67,781</u>	<u>28,861</u>

6. CREDITORS: Amounts falling due within one year

	2001 £	2000 £
Bank loans and overdrafts	2,544	—
Trade creditors	19,459	6,014
Other taxation and social security	24,836	—
Finance lease agreements	1,870	5,440
Other creditors	<u>4,000</u>	<u>12,339</u>
	<u>52,709</u>	<u>23,793</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2001 £	2000 £
Bank loans and overdrafts	<u>2,544</u>	<u>—</u>

TAVISTOCK INSURANCE SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

7. CREDITORS: Amounts falling due after more than one year

	2001 £	2000 £
Bank loans and overdrafts	21,856	—
Finance lease agreements	—	2,653
	<u>21,856</u>	<u>2,653</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2001 £	2000 £
Bank loans and overdrafts	<u>21,856</u>	<u>—</u>

8. COMMITMENTS UNDER FINANCE LEASE AGREEMENTS

Future commitments under finance lease agreements are as follows:

	2001 £	2000 £
Finance lease agreements are analysed as follows:		
Current obligations	1,870	5,440
Non-current obligations	—	2,653
	<u>1,870</u>	<u>8,093</u>

9. RELATED PARTY TRANSACTIONS

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard Smaller Enterprises

10. SHARE CAPITAL

Authorised share capital:

	2001 £	2000 £
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

Allotted, called up and fully paid:

	2001 £	2000 £
Ordinary share capital	<u>20,000</u>	<u>20,000</u>