

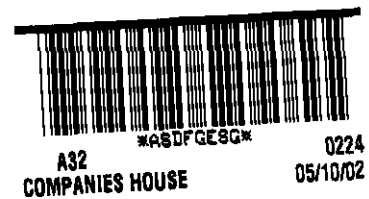
Companies House

Company Number : 3508607

Hawsons Wealth Management Limited
(formerly Hawsons Financial Services Limited)

Financial Statements

For the year ended 31st December 2001



Pegasus House, 463a Glossop Road, Sheffield S10 2QD Telephone (0114) 266 7141

Registered Office

Pegasus House
463a Glossop Road
Sheffield
S10 2QD

Directors

I A Gibson
C I Hill
P J Kennan
R W Marsh
M J Weatherall (Chairman)

Secretary

P A Lindley

Auditors

P M & M
Oakmount
6 East Park Road
Blackburn
BB1 8BW

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The directors submit their report together with the audited financial statements for the year ended 31st December 2001.

The company changed its name to Hawsons Wealth Management Limited on 13th July 2001.

Directors' Statement

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 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 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.

Results and Dividends

The profit on ordinary activities before taxation amounted to £22,219. After deducting taxation and dividends the profit of £545 has been transferred to reserves.

The directors propose a final dividend of £180 per share on the "A" Ordinary and "B" Ordinary shares.

Principal Activity and Business Review

The principal activity of the company continues to be the provision of financial services products and advice.

The directors are satisfied with the result for the year and are confident for the future.

Directors and their Interests

The present directors of the company are listed on the Company Information page. I A Gibson, C I Hill, R W Marsh and M J Weatherall were appointed as directors on 13th July 2001. P J Flint, P D Macintosh and C B Tilley resigned as directors on 13th July 2001.

The present directors of the company held no shares in the company at any time during the year. C I Hill, P J Kennan, R W Marsh and M J Weatherall are partners in Hawsons, a partnership that owns the entire issued share capital of the company.

Hawsons Wealth Management Limited

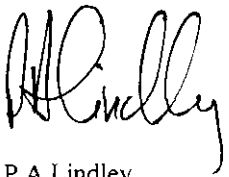
Directors' Report

for the year ended 31st December 2001

Auditors

The Auditors, P M and M, have indicated that they are willing to be re-appointed at the forthcoming Annual General Meeting.

By Order of the Board:

A handwritten signature in black ink, appearing to read 'P A Lindley', is written over the printed name and title.

P A Lindley
Secretary

23 April 2002

Hawsons Wealth Management Limited

Independent Auditor's report to the Shareholders

on the Financial Statements for the year ended 31st December 2001

We have audited the financial statements of Hawsons Wealth Management Limited for the year ended 31st December 2001 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.

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 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 within it.

Basis of 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 31st December 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PM&M

P M & M

Chartered Accountants
Registered Auditor

23 April 2002

Oakmount
6 East Park Road
Blackburn
BB1 8BW

Hawsons Wealth Management Limited**Profit and Loss Account****For the year ended 31st December 2001**

	Notes	2001 £	2001 £	2000 £	2000 £
Turnover	2		144,483		93,864
Administrative expenses					
Staff costs	4	42,477		-	
Depreciation		2,513		180	
Other operating charges		78,368		94,355	
			123,358		94,535
Operating profit (loss)	3		21,125		(671)
Bank interest receivable			1,094		671
Profit on ordinary activities before taxation			22,219		-
Tax on profit on ordinary activities	5		3,674		-
Profit on ordinary activities after taxation			18,545		-
Dividends	6		18,000		-
Retained profit for year	11		545		-

All amounts relate to continuing activities.

There have been no recognised gains or losses, other than the results for the financial year, and all profits or losses have been accounted for on an historical cost basis.

Hawsons Wealth Management Limited

Balance Sheet

as at 31st December 2001

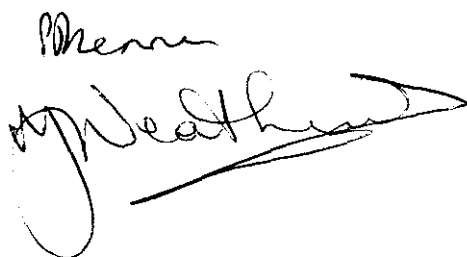
	Notes	2001 £	2001 £	2000 £	2000 £
Fixed assets					
Tangible fixed assets	7		16,549		402
Current assets					
Debtors	8	24,569		82,971	
Cash at bank		21,044		9,222	
		45,613		92,193	
Creditors: Amounts falling due within one year	9	61,517		92,495	
Net current (liabilities)			(15,904)		(302)
Total assets less current liabilities			645		100
Capital and reserves					
Called up share capital	10		100		100
Profit and loss account	11		545		-
Equity shareholders' funds			645		100

These accounts were approved by the board on 23 April 2002

P J Kennan

M J Weatherall

Directors



Hawsons Wealth Management Limited**Cash Flow Statement****For the year ended 31st December 2001**

	Notes	2001 £	2000 £
Cash Flow from Operating Activities	13	29,398	(3,171)
Returns on Investments and Servicing of Finance	14	1,094	671
Taxation		(10)	(2,964)
Capital Expenditure and Financial Investment	14	(18,660)	-
Increase/(decrease) in Cash in the year	15	<u>11,822</u>	<u>(5,464)</u>
Reconciliation of Net Cash Flow to movement in Net Funds			
Increase/(decrease) in Cash in the year		11,822	(5,464)
Net Funds at 1st January 2001		9,222	14,686
Net Funds at 31st December 2001	15	<u>21,044</u>	<u>9,222</u>

1. Principal accounting policies***Accounting convention***

The financial statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

Turnover

Turnover is the total amount receivable by the company for services provided excluding value added tax.

Depreciation

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets over their expected useful lives. The rates generally applicable are :

Fixtures and fittings	20% of cost
Motor vehicles	25% of cost

Deferred taxation

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise.

2. Turnover

The turnover and profit on ordinary activities before taxation for the year was derived from the company's principal activity, the provision of financial services products and advice, which was carried out wholly in the UK.

3. Operating profit (loss)

	2001	2000
	£	£
Operating profit (loss) is stated after charging:		
Management charge payable to wbs Granville Limited	45,214	77,874
Management charge payable to Hawsons	5,507	11,422
Amounts payable to the auditors in respect of audit services	2,000	2,000
Depreciation - owned assets	2,513	180

Hawsons Wealth Management Limited

Notes to the Financial Statements

For the year ended 31st December 2001

4. Directors and employees

	2001 £	2000 £
Staff costs during the year were as follows:		
Wages and salaries	37,500	-
Social security costs	4,977	-
	<u>42,477</u>	<u>-</u>

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

	2001 Number	2000 Number
Directors	5	4
Administration	1	-
	<u>6</u>	<u>4</u>

Remuneration in respect of directors was as follows:

	2001 £	2000 £
Aggregate emoluments	<u>31,681</u>	<u>-</u>

5. Tax on profit on ordinary activities

	2001 £	2000 £
Corporation tax charge at 20%	3,700	-
Prior year adjustments - corporation tax	(26)	-
	<u>3,674</u>	<u>-</u>

6. Dividends

	2001 £	2000 £
"A" Ordinary - £180 (2000 - £nil) per share proposed	9,000	-
"B" Ordinary - £180 (2000 - £nil) per share proposed	9,000	-
	<u>18,000</u>	<u>-</u>

Hawsons Wealth Management Limited

Notes to the Financial Statements

For the year ended 31st December 2001

7. Tangible fixed assets

	Fixtures and fittings £	Motor vehicles £	Total £
Cost			
At beginning of year	895	-	895
Additions	-	18,660	18,660
At end of year	895	18,660	19,555
Depreciation			
At beginning of year	493	-	493
Charged for the year	180	2,333	2,513
At end of year	673	2,333	3,006
Net book value			
At end of year	222	16,327	16,549
At beginning of year	402	-	402

8. Debtors

	2001 £	2000 £
Trade debtors	1,058	74,773
Other debtors	1,542	-
Prepayments and accrued income	21,969	8,198
	24,569	82,971

9. Creditors : Amounts falling due within one year

	2001 £	2000 £
Trade creditors	6,021	352
Other taxation and social security	-	812
Other creditors	30,221	-
Corporation tax	3,700	36
Accruals and deferred income	3,575	91,295
Proposed dividends	18,000	-
	61,517	92,495

Hawsons Wealth Management Limited

Notes to the Financial Statements

For the year ended 31st December 2001

10. Share capital	2001 £	2000 £
Authorised		
50 "A" Ordinary shares of £1 each	50	50
50 "B" Ordinary shares of £1 each	50	50
	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
50 "A" Ordinary shares of £1 each	50	50
50 "B" Ordinary shares of £1 each	50	50
	<u>100</u>	<u>100</u>

The "A" Ordinary shares of £1 each and "B" Ordinary shares of £1 each carry different rights to dividends. The former shares carry the right to 50% of profits available for distribution up to £100,000 and 60% thereafter whilst the latter carry the right to 50% of profits available for distribution up to £100,000 and 40% thereafter. In all other respects the shares are identical and rank pari passu.

11. Profit and loss account	£
At beginning of year	-
Retained for year	545
	<u>545</u>
At end of year	<u>545</u>

12. Reconciliation of the movement in shareholders' funds	2001 £	2000 £
Profit for the financial year	545	-
Shareholders' funds at beginning of year	100	100
	<u>645</u>	<u>100</u>
Shareholders' funds at end of year	<u>645</u>	<u>100</u>

Hawsons Wealth Management Limited**Notes to the Financial Statements****For the year ended 31st December 2001**

13. Reconciliation of operating profit to operating cash flows		2001	2000
		£	£
	Operating profit/(loss)	21,125	(671)
	Depreciation charges	2,513	180
	Decrease/(increase) in debtors	58,402	(64,028)
	(Decrease)/increase in creditors	(52,642)	61,348
	Net cash inflow/(outflow) from operating activities	<u>29,398</u>	<u>(3,171)</u>
14. Analysis of cash flows for headings netted in the cash flow statement			
	Returns on investments and servicing of finance	2001	2000
		£	£
	Interest received	1,094	671
	Net cash inflow for returns on investments and servicing of finance	<u>1,094</u>	<u>671</u>
	Capital expenditure and financial investment	2001	2000
15. Analysis of Changes in Net Funds		£	£
	Purchase of tangible fixed assets	(18,660)	-
	Net cash outflow for capital expenditure and financial investment	<u>(18,600)</u>	<u>-</u>
		At	At 31st
		1st January	December
		2001	£
		£	£
	Cash in hand and at bank	9,222	21,044
		<u>9,222</u>	<u>21,044</u>

16. Related party transactions

Details of related party transactions occurring during the period are as follows :

Name of related party	Nature of relationship	Transaction details	Transaction amount £	Year end (creditor) £
Hawsons	Shareholder	Management charge	5,507	(13,413)
wbs Granville Limited	Shareholder to 13th July 2001	Management charge	45,214	(5,863)

17. Controlling party

At the year end the company's immediate and ultimate controlling party was Hawsons.