

Confidential Solutions Limited

Financial Statements

31 May 2003

Company Registration Number 4340708



Confidential Solutions Limited

Financial Statements

Period from 14 December 2001 to 31 May 2003

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Confidential Solutions Limited

Officers and Professional Advisers

The Director	K Carrabine
Company Secretary	G Carrabine
Registered Office	Euro House 1394 High Road London N20 9YZ
Accountants	MacIntyre Hudson Chartered Accountants Euro House 1394 High Road London N20 9YZ
Bankers	National Westminster Bank Plc 1302 High Road London N20 9JF

Confidential Solutions Limited

The Director's Report

Period from 14 December 2001 to 31 May 2003

The director has pleasure in presenting his report and the unaudited financial statements of the company for the period from 14 December 2001 to 31 May 2003.

Principal activities

The principal activity of the company during the period was that of a general insurance broker. The company commenced trading in March 2002.

The director and his interests in shares of the parent company

The director who served the company during the period together with his beneficial interests, including family holdings, in the shares of the parent company was as follows:

Ordinary shares of £1 each in the parent company		
	At 31 May 2003	At 14 December 2001 or later date of appointment
Hallmark Registrars Limited (Resigned 14 December 2001)	-	-
K Carrabine (Appointed 14 December 2001)	<u>10</u>	<u>-</u>

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:
Euro House
1394 High Road
London
N20 9YZ

Signed by order of the director



G Carrabine
Company Secretary

Approved by the director on ...11...July.....2003

Confidential Solutions Limited

Profit and Loss Account

Period from 14 December 2001 to 31 May 2003

	Note	Period from 14 Dec 01 to 31 May 03 £
Turnover		65,456
Cost of sales		15,312
Gross profit		50,144
Administrative expenses		31,730
Operating profit	1	18,414
Interest payable		133
Profit on ordinary activities before taxation		18,281
Tax on profit on ordinary activities	2	1,397
Profit on ordinary activities after taxation		16,884
Equity dividends paid		16,850
Retained profit for the financial period		34

The accounting policies and notes on pages 5 to 8 form part of these financial statements.

Confidential Solutions Limited

Balance Sheet

31 May 2003

	Note	31 May 03 £	£
Fixed assets			
Tangible assets	3		4,023
Current assets			
Debtors	4	6,178	
Cash at bank and in hand		54,753	
		<u>60,931</u>	
Creditors: amounts falling due within one year	5	<u>64,910</u>	
Net current liabilities			(3,979)
Total assets less current liabilities			<u>44</u>
Capital and reserves			
Called-up equity share capital	7		10
Profit and Loss Account	8		34
Shareholders' funds			<u>44</u>

The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the period by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

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 June 2002).

These financial statements were approved and signed by the director on 11 July 2003



.....
K Carrabine

The accounting policies and notes on pages 5 to 8 form part of these financial statements.

Confidential Solutions Limited

Accounting Policies

Period from 14 December 2001 to 31 May 2003

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 June 2002).

Turnover

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

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Office Equipment	-	25% Reducing balance
Fixtures & Fittings	-	25% Reducing balance
Computer Equipment	-	33⅓% Straight line

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 at a constant rate of charge on the balance of capital repayments outstanding, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Confidential Solutions Limited

Notes to the Financial Statements

Period from 14 December 2001 to 31 May 2003

1. Operating profit

Operating profit is stated after charging:

Period from
14 Dec 01 to
31 May 03
£

Director's emoluments
Depreciation

3,500
927

2. Tax on profit on ordinary activities

Period from
14 Dec 01 to
31 May 03
£

Current tax:

UK Corporation tax based on the results for the period at 19%

1,397

Total current tax

1,397

3. Tangible fixed assets

	Computer Equipment £	Fixtures & Fittings £	Office Equipment £	Total £
Cost				
Additions	2,097	1,306	1,547	4,950
At 31 May 2003	<u>2,097</u>	<u>1,306</u>	<u>1,547</u>	<u>4,950</u>
Depreciation				
Charge for the period	391	186	350	927
At 31 May 2003	<u>391</u>	<u>186</u>	<u>350</u>	<u>927</u>
Net book value				
At 31 May 2003	<u>1,706</u>	<u>1,120</u>	<u>1,197</u>	<u>4,023</u>

Finance lease agreements

Included within the net book value of £4,023 is £897 relating to assets held under finance lease agreements. The depreciation charged to the accounts in the period in respect of such assets amounted to £299.

Confidential Solutions Limited

Notes to the Financial Statements

Period from 14 December 2001 to 31 May 2003

4. Debtors

	31 May 03 £
Trade debtors	5,178
Prepayments and accrued income	1,000
	<u>6,178</u>

5. Creditors: amounts falling due within one year

	31 May 03 £
Trade creditors	4,547
Due to insurers	52,643
Corporation tax	1,397
Finance lease agreements	798
Other creditors	262
Accruals and deferred income	5,263
	<u>64,910</u>

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

	31 May 03 £
Finance lease agreements	<u>798</u>

6. Related party transactions

During the period the company paid dividends of £16,850 to Confidential Solutions Group Limited, its parent company.

7. Share capital

Authorised share capital:

	No	31 May 03 £
1,000 Ordinary shares of £1 each		<u>1,000</u>
Allotted, called up and fully paid:		
	No	£
Ordinary shares of £1 each	<u>10</u>	<u>10</u>

Confidential Solutions Limited

Notes to the Financial Statements

Period from 14 December 2001 to 31 May 2003

8. Profit and loss account

Period from
14 Dec 01 to
31 May 03
£

Retained profit for the financial period	34
Balance carried forward	<u>34</u>

9. Ultimate parent company

The ultimate and immediate parent company is Confidential Solutions Group Limited, company registration number 4523785, a company incorporated in England and Wales.

10. Ultimate controlling party

The ultimate parent company of the Group was under the control of Mr K Carrabine, a director and majority shareholder of the parent company.