

COMPANY REGISTRATION NUMBER 4340708

Confidential Solutions Limited
Unaudited Financial Statements
31 May 2005



Confidential Solutions Limited

Financial Statements

Year ended 31 May 2005

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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 LLP Chartered Accountants Euro House 1394 High Road Whetstone London N20 9YZ
Bankers	Barclays Bank Plc PO Box 104 St Albans Herts AL1 3AN

Confidential Solutions Limited

The Director's Report

Year ended 31 May 2005

The director has pleasure in presenting his report and the unaudited financial statements of the company for the year ended 31 May 2005.

Principal activities

The principal activity of the company during the year was that of a general insurance broker. The company commenced trading in March 2002 and continues to grow to budgeted turnover levels. The company became authorised and regulated by the Financial Services Authority in January 2005.

The director and his interests in the shares of the parent company

The director who served the company during the year 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 2005	At 1 June 2004
K Carrabine	<u>10</u>	<u>10</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 25 November 2005

Confidential Solutions Limited

Profit and Loss Account

Year ended 31 May 2005

	Note	2005 £	2004 £
Turnover		229,177	139,518
Cost of sales		42,657	28,714
Gross profit		186,520	110,804
Administrative expenses		88,008	41,546
Operating profit	1	98,512	69,258
Interest receivable		2,753	1,013
Interest payable and similar charges		(133)	(133)
Profit on ordinary activities before taxation		101,132	70,138
Tax on profit on ordinary activities	2	19,487	13,796
Profit on ordinary activities after taxation		81,645	56,342
Equity dividends paid		62,000	51,750
Retained profit for the financial year		£19,645	£4,592

The accounting policies and notes on pages 6 to 10 form part of these financial statements.

Confidential Solutions Limited

Balance Sheet

31 May 2005

	Note	2005 £	£	2004 £
Fixed assets				
Tangible assets	3		9,154	<u>3,323</u>
Current assets				
Debtors	4	52,456		24,759
Cash at bank and in hand		<u>150,808</u>		<u>47,157</u>
		203,264		71,916
Creditors: amounts falling due within one year	5	<u>188,137</u>		<u>70,603</u>
Net current assets			15,127	<u>1,313</u>
Total assets less current liabilities			<u>24,281</u>	<u>4,636</u>

The Balance sheet continues on the following page.
The accounting policies and notes on pages 6 to 10 form part of these financial statements.

Confidential Solutions Limited

Balance Sheet (continued)

31 May 2005

	Note	2005 £	2004 £
Capital and reserves			
Called-up equity share capital	8	10	10
Profit and loss account	9	24,271	4,626
Shareholder's funds		<u>£24,281</u>	<u>£4,636</u>

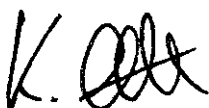
The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of 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 financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year 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 25 November 2005



.....
K Carrabine

The accounting policies and notes on pages 6 to 10 form part of these financial statements.

Confidential Solutions Limited

Accounting Policies

Year ended 31 May 2005

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 year.

Fixed assets

All fixed assets are initially recorded at cost.

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	-	33 $\frac{1}{3}$ %	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

Year ended 31 May 2005

1. Operating profit

Operating profit is stated after charging:

	2005 £	2004 £
Director's emoluments	15,000	4,225
Depreciation of owned fixed assets	3,026	1,095
Depreciation of assets held under finance lease agreements	—	224
Loss on disposal of fixed assets	—	362

2. Taxation on ordinary activities

	2005 £	2004 £
Current tax:		
UK Corporation tax based on the results for the year at 19% (2004 - 19%)	19,593	13,796
Over provision in prior year	(106)	—
Total current tax	£19,487	£13,796

3. Tangible fixed assets

	Computer Equipment £	Fixtures & Fittings £	Office Equipment £	Total £
Cost				
At 1 June 2004	3,078	882	1,547	5,507
Additions	4,370	2,306	2,181	8,857
At 31 May 2005	£7,448	£3,188	£3,728	£14,364
Depreciation				
At 1 June 2004	1,221	314	649	2,184
Charge for the year	1,997	295	734	3,026
At 31 May 2005	£3,218	£609	£1,383	£5,210
Net book value				
At 31 May 2005	4,230	2,579	2,345	9,154
At 31 May 2004	1,857	568	898	3,323

Confidential Solutions Limited

Notes to the Financial Statements

Year ended 31 May 2005

3. Tangible fixed assets *(continued)* Finance lease agreements

Included within the net book value of £9,154 is £Nil (2004 - £672) relating to assets held under finance lease agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £Nil (2004 - £224).

4. Debtors

	2005 £	2004 £
Trade debtors	49,489	20,084
Other debtors	2,350	4,095
Prepayments and accrued income	617	580
	<u>£52,456</u>	<u>£24,759</u>

5. Creditors: amounts falling due within one year

	2005 £	2004 £
Trade creditors	43,054	16,975
Amounts owed to group undertakings	9,947	—
Other creditors including taxation and social security:		
Due to insurers	105,064	37,190
Corporation tax	19,593	13,796
PAYE and social security	4,620	—
Finance lease agreements	—	399
Directors current accounts	1,822	—
Accruals and deferred income	4,037	2,243
	<u>£188,137</u>	<u>£70,603</u>

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

	2005 £	2004 £
Finance lease agreements	—	399

A rent deposit deed dated 1 March 2004 is held by Highlands North Properties Limited securing the sum of £4,700.

Confidential Solutions Limited

Notes to the Financial Statements

Year ended 31 May 2005

6. Commitments under operating leases

At 31 May 2005 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	2005 £	2004 £
Operating leases which expire:		
Within 2 to 5 years	4,875	—
After more than 5 years	—	4,750
	<u>£4,875</u>	<u>£4,750</u>

7. Related party transactions

As the year end, the company owed Confidential Solutions Group Limited, its parent company, £9,947.

This represents financing arrangements.

8. Share capital

Authorised share capital:

	2005 £	2004 £
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2005 No	£	2004 No	£
Ordinary shares of £1 each	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>

9. Profit and loss account

	2005 £	2004 £
Balance brought forward	4,626	34
Retained profit for the financial year	<u>19,645</u>	<u>4,592</u>
Balance carried forward	<u>£24,271</u>	<u>£4,626</u>

10. Ultimate parent company

The ultimate and immediate parent company is Confidential Solutions Group Limited.

Confidential Solutions Limited

Notes to the Financial Statements

Year ended 31 May 2005

11. Ultimate controlling party

The company was under the control of K Carrabine, the director and majority shareholder of the parent company throughout the year.