

Registrar of Companies

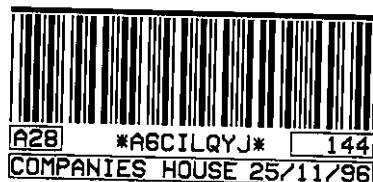
2124354

Beauchamp Financial Services Limited

Report of the Director and

Financial Statements
for the Year Ended 31 March 1996

LEIGH, CHRISTOU & CO



**CERTIFIED ACCOUNTANTS
REGISTERED AUDITORS**

Leofric House
Binley Road
Gosford Green
Coventry
CV3 1JN

Beauchamp Financial Services Limited

Company Information
for the Year Ended 31 March 1996

DIRECTOR: G K Pearce

SECRETARY: Mrs C Pearce

REGISTERED OFFICE: Leofric House
Binley Road
Gosford Green
Coventry
CV3 1JN

REGISTERED NUMBER: 2124354

AUDITORS: Leigh, Christou & Co.
Certified Accountants
& Registered Auditors
Leofric House
Binley Road
Coventry
CV3 1JN

Beauchamp Financial Services Limited

Report of the Director for the Year Ended 31 March 1996

The director presents his report with the financial statements of the company for the year ended 31 March 1996.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were those of life insurance and pension advisors and providers of general investment and financial services. The company is authorised in accordance with the requirements of the Financial Services Act 1986.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No interim dividend was paid during the year. The director recommends a final dividend of 11.02p per share.

The total distribution of dividends for the year ended 31 March 1996 will be £110,250.

DIRECTOR

G K Pearce was the sole director during the year under review.

The director holding office at 31 March 1996 did not hold any beneficial interest in the issued share capital of the company at 1 April 1995 or 31 March 1996.

However, he did have the following beneficial interests in the issued share capital of the parent company, Beauchamp Group Ltd.

<u>Class of Capital</u>	<u>31.3.96</u>	<u>31.3.95</u>
	£	£
Ordinary	9,100	9,100

STATEMENT OF 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 and of the profit or loss of the company for that period. In preparing those financial statements, the director is required to

- select suitable accounting policies and then apply them consistently;
- make judgments 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 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. He 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.

Beauchamp Financial Services Limited

Report of the Director
for the Year Ended 31 March 1996

AUDITORS

The auditors, Leigh, Christou & Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


.....
G K Pearce - DIRECTOR

Dated: 31-7-96

Beauchamp Financial Services Limited

Report of the Auditors to the Shareholders of
Beauchamp Financial Services Limited

We have audited the financial statements on pages five to thirteen which have been prepared under the historical cost convention and the accounting policies set out on page ten.

Respective responsibilities of director and auditors

As described on page two the company's director is responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with 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 judgments 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Leigh Christou & Co.

Leigh, Christou & Co.
Certified Accountants
& Registered Auditors
Leofric House
Binley Road
Coventry
CV3 1JN

Dated: 31 - 7 - 96

Beauchamp Financial Services Limited

**Profit and Loss Account
for the Year Ended 31 March 1996**

		1996	1995
	Notes	£	£
TURNOVER	2	250,424	233,127
GROSS PROFIT		250,424	233,127
Administrative expenses		103,256	108,429
		147,168	124,698
Other operating income		13	-
OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	147,181	124,698
Tax on profit on ordinary activities	5	36,800	31,177
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		110,381	93,521
Dividends	6	110,250	93,500
		131	21
Retained profit brought forward		260	239
RETAINED PROFIT CARRIED FORWARD		£391	£260

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

Beauchamp Financial Services Limited

Balance Sheet
31 March 1996

		1996		1995	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	7		121		142
CURRENT ASSETS:					
Debtors	8	18,965		24,823	
Cash at bank		106,307		122,682	
		125,272		147,505	
CREDITORS: Amounts falling due within one year	9	84,226		110,459	
NET CURRENT ASSETS:			41,046		37,046
TOTAL ASSETS LESS CURRENT LIABILITIES:			41,167		37,188
PROVISIONS FOR LIABILITIES AND CHARGES:	10		30,776		26,928
			£10,391		£10,260
CAPITAL AND RESERVES:					
Called up share capital	11		10,000		10,000
Profit and loss account			391		260
Shareholders' funds	14		£10,391		£10,260

ON BEHALF OF THE BOARD:



.....
G K Pearce - DIRECTOR

Approved by the Board on31-7-96.....

The notes form part of these financial statements

Beauchamp Financial Services Limited

Cash Flow Statement
for the Year Ended 31 March 1996

	1996		1995	
	£	£	£	£
Net cash inflow from operating activities		122,360		251,087
Returns on investments and servicing of finance				
Dividends received	-		-	
Dividends paid	(110,250)		(93,500)	
Net cash outflow from returns on investments and servicing of finance		(110,250)		(93,500)
Taxation				
Corporation tax paid	(28,485)		(45,437)	
Tax paid		(28,485)		(45,437)
Investing activities	-		-	
Net cash inflow from investing activities		-		-
Net cash (outflow)/inflow before financing		(16,375)		112,150
Financing	-		-	
Net cash inflow from financing		-		-
(Decrease)/increase in cash and cash equivalents		£(16,375)		£112,150

The notes form part of these financial statements

Beauchamp Financial Services Limited

Notes to the Cash Flow Statement
for the Year Ended 31 March 1996

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1996 £	1995 £
Operating profit	147,181	124,698
Depreciation charges	21	25
Decrease/(increase) in debtors	5,858	33,391
(Decrease)/increase in creditors	(30,700)	92,973
Net cash inflow from operating activities	<u>122,360</u>	<u>251,087</u>

2. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR

Year ended 31 March 1996

	£
Balance at 1 April 1995	122,682
Net cash inflow	<u>16,375</u>
Balance at 31 March 1996	<u>106,307</u>

Year ended 31 March 1995

	£
Balance at 1 April 1994	10,532
Net cash inflow	<u>112,150</u>
Balance at 31 March 1995	<u>122,682</u>

3. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET

Year ended 31 March 1996

	31.3.96 £	1.4.95 £	Change in year £
Cash at bank and in hand	<u>106,307</u>	<u>122,682</u>	<u>(16,375)</u>

The notes form part of these financial statements

Beauchamp Financial Services Limited

Notes to the Cash Flow Statement
for the Year Ended 31 March 1996

Year ended 31 March 1995

	31.3.95	1.4.94	Change in year
	£	£	£
Cash at bank and in hand	122,682	10,534	112,148
Bank overdrafts	-	(2)	2
	<u>122,682</u>	<u>10,532</u>	<u>112,150</u>

4. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

There were no changes in financing during the year ended 31 March 1996 nor during the year ended 31 March 1995.

Beauchamp Financial Services Limited

**Notes to the Financial Statements
for the Year Ended 31 March 1996**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents commissions and fees receivable on business transacted during the period and includes commission receivable under indemnity terms.

Commissions receivable under indemnity terms

Where commissions are receivable under indemnity terms, provision for repayment is made as follows:-

The higher of a) Specific amounts identified as repayable or
b) 2.5 percent of gross commissions receivable on
business transacted during the year.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 15% on reducing balance

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the director, there is reasonable probability that the liability will not arise in the foreseeable future.

2. TURNOVER

The turnover and profit before taxation are attributable to the principal activities of the company.

3. STAFF COSTS

There were no staff costs for the year ended 31 March 1996 nor for the year ended 31 March 1995.

Beauchamp Financial Services Limited

Notes to the Financial Statements
for the Year Ended 31 March 1996

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

	1996	1995
Administration & Selling	<u>1</u>	<u>1</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	1996 £	1995 £
Depreciation - owned assets	21	25
Auditors' remuneration	<u>1,763</u>	<u>1,850</u>
Director's emoluments	<u>-</u>	<u>-</u>

5. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	1996 £	1995 £
UK Corporation Tax	<u>36,800</u>	<u>31,177</u>

UK Corporation Tax has been charged at 25% (1995 - 25%).

6. DIVIDENDS

	1996 £	1995 £
Equity shares:		
Final	<u>110,250</u>	<u>93,500</u>

Beauchamp Financial Services Limited

Notes to the Financial Statements
for the Year Ended 31 March 1996

7. TANGIBLE FIXED ASSETS

	Fixtures and fittings
	<u>£</u>
COST:	
At 1 April 1995	
and 31 March 1996	378
DEPRECIATION:	
At 1 April 1995	236
Charge for year	21
	<u>257</u>
At 31 March 1996	
NET BOOK VALUE:	
At 31 March 1996	121
	<u>142</u>
At 31 March 1995	<u>142</u>

8. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	1996 £	1995 £
Due from Insurers & Life Offices	18,571	24,823
Prepayments	394	-
	<u>18,965</u>	<u>24,823</u>

9. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	1996 £	1995 £
Accruals	3,819	3,435
Amounts due to parent undertaking	66,320	101,252
Taxation	14,087	5,772
	<u>84,226</u>	<u>110,459</u>

10. PROVISIONS FOR LIABILITIES AND CHARGES

	1996 £	1995 £
Provision for commission repayments	30,776	26,928
	<u>30,776</u>	<u>26,928</u>

Beauchamp Financial Services Limited

**Notes to the Financial Statements
for the Year Ended 31 March 1996**

11. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	1996 £	1995 £
10,000	Ordinary	£1	<u>10,000</u>	<u>10,000</u>

12. ULTIMATE PARENT COMPANY

The parent company is Beauchamp Group Limited, a company registered in England and Wales. The registered office address of Beauchamp Group Limited is Leofric House, Binley Road, Coventry, CV3 1JN which is also where copies of the group accounts may be obtained.

13. CONTINGENT LIABILITIES

The company has provided a multilateral cross-guarantee to the group's bankers as further security in respect of the parent company's borrowings. At the balance sheet date the parent company's indebtedness to its bankers stood at £76,466 (1995 - £158,020).

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1996 £	1995 £
Profit for the financial year	110,381	93,521
Dividends	(110,250)	(93,500)
NET ADDITION TO SHAREHOLDERS' FUNDS	<u>131</u>	<u>21</u>
Opening shareholders' funds	10,260	10,239
CLOSING SHAREHOLDERS' FUNDS	<u>10,391</u>	<u>10,260</u>
Equity interests	<u>10,391</u>	<u>10,260</u>