

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003
FOR
CHILTERN INSURANCE CONSULTANTS LIMITED**



CHILTERN INSURANCE CONSULTANTS LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2003**

	Page
Company Information	1
Report of the Directors	2
Profit and Loss Account	3
Balance Sheet	4
Notes to the Financial Statements	6
Report of the Accountants	13

CHILTERN INSURANCE CONSULTANTS LIMITED

COMPANY INFORMATION
for the Year Ended 31 December 2003

DIRECTORS: G M Owen
F J Owen

SECRETARY: F J Owen

REGISTERED OFFICE: 4 Reading Road
Pangbourne
Reading
Berkshire RG8 7LY

REGISTERED NUMBER: 3416231 (England and Wales)

ACCOUNTANTS: Geoffrey Cole & Co
Chartered Accountants
4 Reading Road
Pangbourne
Berkshire RG8 7LY

BANKERS: National Westminster Bank plc
13 Market Place
Reading
Berkshire RG1 2EP

CHILTERN INSURANCE CONSULTANTS LIMITED

**REPORT OF THE DIRECTORS
for the Year Ended 31 December 2003**

The directors present their report with the financial statements of the company for the year ended 31 December 2003.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of general insurance brokers

DIRECTORS

The directors during the year under review were:

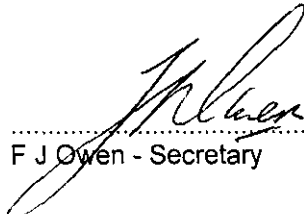
G M Owen
F J Owen

The beneficial interests of the directors holding office on 31 December 2003 in the issued share capital of the company were as follows:

	31.12.03	1.1.03
A Ordinary £1 shares		
G M Owen	760	760
F J Owen	-	-
B Ordinary £1 shares		
G M Owen	-	-
F J Owen	240	240

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

ON BEHALF OF THE BOARD:


.....
F J Owen - Secretary

Date: 29.4.04

CHILTERN INSURANCE CONSULTANTS LIMITED

PROFIT AND LOSS ACCOUNT
for the Year Ended 31 December 2003

		<u>2003</u>	<u>2002</u>
	Notes	£	£
TURNOVER		301,268	282,653
Administrative expenses		289,708	268,740
		11,560	13,913
Other operating income		6,600	7,717
OPERATING PROFIT	3	18,160	21,630
Interest receivable and similar income		1,173	790
		19,333	22,420
Interest payable and similar charges	4	7,088	7,820
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		12,245	14,600
Tax on profit on ordinary activities	5	1,069	3,635
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		11,176	10,965
Dividends	6	5,000	6,000
		6,176	4,965
Retained profit brought forward		22,041	17,076
RETAINED PROFIT CARRIED FORWARD		£28,217	£22,041

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

CHILTERN INSURANCE CONSULTANTS LIMITED

BALANCE SHEET
31 December 2003

		2003		2002	
	Notes	£	£	£	£
FIXED ASSETS:					
Intangible assets	7		87,471		93,524
Tangible assets	8		39,751		29,101
			<u>127,222</u>		<u>122,625</u>
CURRENT ASSETS:					
Debtors	9	255,397		106,106	
Cash at bank and in hand		64,929		62,424	
		<u>320,326</u>		<u>168,530</u>	
CREDITORS: Amounts falling due within one year	10	347,885		184,491	
NET CURRENT LIABILITIES:			<u>(27,559)</u>		<u>(15,961)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			99,663		106,664
CREDITORS: Amounts falling due after more than one year	11		(69,937)		(83,190)
PROVISIONS FOR LIABILITIES AND CHARGES:	14		(509)		(433)
			<u>£29,217</u>		<u>£23,041</u>
CAPITAL AND RESERVES:					
Called up share capital	15		1,000		1,000
Profit and loss account			28,217		22,041
SHAREHOLDERS' FUNDS:	17		<u>£29,217</u>		<u>£23,041</u>

The notes form part of these financial statements

CHILTERN INSURANCE CONSULTANTS LIMITED

**BALANCE SHEET
31 December 2003**

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 December 2003.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2003 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

ON BEHALF OF THE BOARD:


.....
G M Owen - Director

Approved by the Board on 29/4/2004

CHILTERN INSURANCE CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 December 2003

1. ACCOUNTING POLICIES

Accounting convention

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

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 1998, is being written off evenly over its estimated useful life of eighteen years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to income as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

2. STAFF COSTS

	2003 £	2002 £
Wages and salaries	154,683	140,642
Social security costs	15,888	11,936
Other pension costs	4,536	8,473
	<u>175,107</u>	<u>161,051</u>

CHILTERN INSURANCE CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 December 2003

2. STAFF COSTS - continued

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

2003	2002
8	7
<u>8</u>	<u>7</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	2003	2002
	£	£
Hire of plant and machinery	2,185	2,515
Depreciation - owned assets	5,801	7,254
Depreciation - assets on hire purchase contracts or finance leases	5,411	2,660
Loss on disposal of fixed assets	824	445
Goodwill written off	6,052	6,052
	<u>56,000</u>	<u>46,000</u>
Directors' emoluments	56,000	46,000

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2003	2002
	£	£
Bank interest	1	-
Bank loan interest	4,241	5,430
Other interest	796	870
Hire purchase	2,050	1,520
	<u>7,088</u>	<u>7,820</u>

5. TAXATION

Analysis of the tax charge

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

	2003	2002
	£	£
Current tax:		
UK corporation tax	993	3,202
Deferred taxation	76	433
Tax on profit on ordinary activities	<u>1,069</u>	<u>3,635</u>

UK corporation tax has been charged at 19%

CHILTERN INSURANCE CONSULTANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2003**

6. DIVIDENDS

	2003 £	2002 £
Equity shares: 240 shares of £1 each Paid dividend B ordinary	<u>5,000</u>	<u>6,000</u>
	<u>5,000</u>	<u>6,000</u>

7. INTANGIBLE FIXED ASSETS

Goodwill

£

COST:

At 1 January 2003
and 31 December 2003

121,041

AMORTISATION:

At 1 January 2003
Charge for year

27,518
6,052

At 31 December 2003

33,570

NET BOOK VALUE:

At 31 December 2003

87,471

At 31 December 2002

93,524

8. TANGIBLE FIXED ASSETS

	<u>Plant and machinery</u>	<u>Fixtures and fittings</u>	<u>Motor vehicles</u>	<u>Computer equipment</u>	<u>Totals</u>
	£	£	£	£	£
COST:					
At 1 January 2003	19,098	2,072	35,590	15,572	72,332
Additions	245	-	23,065	6,976	30,286
Disposals	<u>-</u>	<u>-</u>	<u>(22,820)</u>	<u>-</u>	<u>(22,820)</u>
At 31 December 2003	<u>19,343</u>	<u>2,072</u>	<u>35,835</u>	<u>22,548</u>	<u>79,798</u>
DEPRECIATION:					
At 1 January 2003	13,537	975	16,565	12,154	43,231
Charge for year	1,436	275	5,411	4,090	11,212
Eliminated on disposals	<u>-</u>	<u>-</u>	<u>(14,396)</u>	<u>-</u>	<u>(14,396)</u>
At 31 December 2003	<u>14,973</u>	<u>1,250</u>	<u>7,580</u>	<u>16,244</u>	<u>40,047</u>
NET BOOK VALUE:					
At 31 December 2003	<u>4,370</u>	<u>822</u>	<u>28,255</u>	<u>6,304</u>	<u>39,751</u>
At 31 December 2002	<u>5,561</u>	<u>1,098</u>	<u>19,025</u>	<u>3,417</u>	<u>29,101</u>

CHILTERN INSURANCE CONSULTANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2003**

8. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

	Motor vehicles
	£
COST:	
At 1 January 2003	12,770
Additions	23,065
Transferred to ownership	(12,770)
	<hr/>
At 31 December 2003	23,065
	<hr/>
DEPRECIATION:	
At 1 January 2003	2,660
Charge for year	5,411
Transferred to ownership	(2,660)
	<hr/>
At 31 December 2003	5,411
	<hr/>
NET BOOK VALUE:	
At 31 December 2003	17,654
	<hr/>
At 31 December 2002	10,110
	<hr/>

**9. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2003 £	2002 £
Trade debtors	209,407	70,149
Other debtors	4,236	2,789
Accrued income	36,267	29,538
Prepayments	5,487	3,630
	<hr/>	<hr/>
	255,397	106,106
	<hr/>	<hr/>

CHILTERN INSURANCE CONSULTANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2003**

**10. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2003	2002
	£	£
Bank loans and overdrafts (see note 12)	38,417	13,630
Trade creditors	271,318	137,930
Hire purchase	7,273	10,118
Other creditors	23	23
Directors' current accounts	44	-
Social security & other taxes	5,042	4,755
Taxation	993	3,202
Accrued expenses	24,775	14,833
	<u>347,885</u>	<u>184,491</u>

**11. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2003	2002
	£	£
Bank loans (see note 12)	39,598	62,785
Hire purchase	17,835	5,901
Other creditors	12,504	14,504
	<u>69,937</u>	<u>83,190</u>

The amounts due under finance leases and hire purchase creditors are secured on the assets to which they relate.

12. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2003	2002
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	17,888	-
Bank loans	20,529	13,630
	<u>38,417</u>	<u>13,630</u>
Amounts falling due between two and five years:		
Bank loans	<u>39,598</u>	<u>62,785</u>

CHILTERN INSURANCE CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 December 2003

13. SECURED DEBTS

The following secured debts are included within creditors:

	2003 £	2002 £
Bank overdrafts	17,888	-
Bank loans	60,127	76,415
	<u>78,015</u>	<u>76,415</u>

Bank loans and overdraft are secured on the personal properties of G M Owen, a director.

14. PROVISIONS FOR LIABILITIES AND CHARGES

	2003 £	2002 £
Deferred taxation	<u>509</u>	<u>433</u>
	Deferred tax	
	£	
Balance at 1 January 2003	433	
Movement during the year	<u>76</u>	
Balance at 31 December 2003	<u>509</u>	

15. CALLED UP SHARE CAPITAL

Authorised: Number:	Class:	Nominal value:	2003 £	2002 £
500,000	A Ordinary	£1	500,000	500,000
500,000	B Ordinary	£1	500,000	500,000
			<u>1,000,000</u>	<u>1,000,000</u>

Allotted, issued and fully paid: Number:	Class:	Nominal value:	2003 £	2002 £
760	A Ordinary	£1	760	760
240	B Ordinary	£1	240	240
			<u>1,000</u>	<u>1,000</u>

16. TRANSACTIONS WITH DIRECTORS

Included in other creditors due after more than one year is an amount owing to F J Owen, a director, of £12,504 (2002 £14,504). This was the maximum amount owing in the year.

As at 31 December 2003, the company owed G M Owen, a director, £44 (2002 £Nil).

CHILTERN INSURANCE CONSULTANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2003**

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2003	2002
	£	£
Profit for the financial year	11,176	10,965
Dividends	(5,000)	(6,000)
	<hr/>	<hr/>
Net addition to shareholders' funds	6,176	4,965
Opening shareholders' funds	23,041	18,076
	<hr/>	<hr/>
Closing shareholders' funds	29,217	23,041
	<hr/>	<hr/>
Equity interests	29,217	23,041
	<hr/>	<hr/>

18. CONTROLLING PARTIES

During the year, the company was controlled by the directors, G M Owen and F J Owen, by virtue of their shareholdings.

CHILTERN INSURANCE CONSULTANTS LIMITED

**REPORT OF THE ACCOUNTANTS TO THE DIRECTORS OF
CHILTERN INSURANCE CONSULTANTS LIMITED**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 December 2003 set out on pages three to twelve and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



Geoffrey Cole & Co
Chartered Accountants
4 Reading Road
Pangbourne
Berkshire RG8 7LY

4 May 2004