

EUROPA UNDERWRITING LIMITED

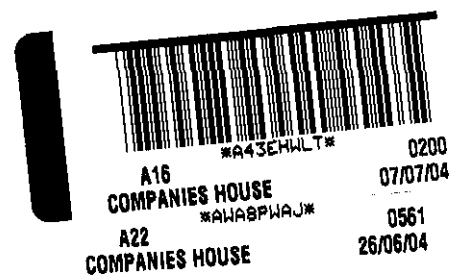
FINANCIAL STATEMENTS

For the period

1 DECEMBER 2002

to

31 DECEMBER 2003



EUROPA UNDERWRITING LIMITED

FINANCIAL STATEMENTS

PERIOD FROM 1 DECEMBER 2002 TO 31 DECEMBER 2003

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EUROPA UNDERWRITING LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

PERIOD FROM 1 DECEMBER 2002 TO 31 DECEMBER 2003

DIRECTORS

Peter T Baker
Scott A Salter
Carl A Shuker

COMPANY SECRETARY

Peter T Baker

REGISTERED OFFICE

Blue Boar Court
Oxford
OX1 4EE

BANKERS

National Westminster Bank Plc
Corporate Division
Alfred Street
Oxford
OX1 4EB

AUDITORS

Edmund Gibbs
Chartered Certified Accountants
& Registered Auditors
Kingsgate
4610 Cascade Way
Oxford Business Park South
Oxford OX4 2SU

EUROPA UNDERWRITING LIMITED

THE DIRECTORS' REPORT

PERIOD FROM 1 DECEMBER 2002 TO 31 DECEMBER 2003

The directors present their report and the financial statements of the company for the period 1 December 2002 to 31 December 2003

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company commenced trading in May 2003.

The company name was changed from Resources Direct Limited to Insurance Facilities Limited on 1 April 2003 and then to Europa Underwriting Limited on 24 November 2003.

The principal activity of the company during the year was that of an insurance intermediary. The directors consider the results for the year to be satisfactory.

RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements. The directors have not recommended a dividend.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 December 2003	At 30 November 2002
P T Baker	-	-
S A Salter	-	-
C A Shuker	-	-

Mr Shuker is a Director of the Holding Company, Blue Boar Holdings Limited, a company incorporated in the UK. His shareholding is shown in the accounts of that Company.

Messrs Baker and Salter are shareholders, but not directors, of Blue Boar Holdings Limited, their shareholdings at 31 December 2003 being 50 and 100 Ordinary Shares respectively (30 November 2002 or later date of appointment: Nil).

C A Shuker was appointed as a director on 29 April 2003

S A Salter was appointed as a director on 9 December 2003

B M Hulbert retired as a director on 29 April 2003

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company at the end of the period and of the profit or loss for the period then ended. In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 7, and then apply them consistently; make judgements and estimates that are reasonable and prudent; and 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 that the financial statements comply with the Companies Act 1985. The directors 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.

AUDITORS

A resolution to re-appoint Edmund Gibbs as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

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.

Signed by order of the Directors

P T Baker

Peter T Baker
Company Secretary

Registered Office
Blue Boar Court
Oxford OX1 4EE

Approved by the Directors on 24 May 2004

EUROPA UNDERWRITING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

PERIOD FROM 1 DECEMBER 2002 TO 31 DECEMBER 2003

We have audited the financial statements on pages 5 to 8 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) under the historical cost convention and the accounting policies set out on page 7.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body for our audit work, for this report, or for the opinions we have formed.

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 AUDIT 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 31 December 2003 and of its profit for the period then ended, and have been properly prepared in accordance with the Companies Act 1985.

Edmund Gibbs

EDMUND GIBBS
Chartered Certified Accountants
& Registered Auditors

Kingsgate
4610 Cascade Way
Oxford Business Park South
Oxford
OX4 2SU

24 May 2004

EUROPA UNDERWRITING LIMITED

PROFIT AND LOSS ACCOUNT PERIOD FROM 1 DECEMBER 2002 TO 31 DECEMBER 2003

	Note	2003	2002
TURNOVER	1	40,079	-
Administration Expenses		<u>36,802</u>	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	3,277	-
Tax on profit on ordinary activities	3	<u>484</u>	-
RETAINED PROFIT FOR THE FINANCIAL PERIOD		<u>£2,793</u>	-

The notes on pages 7 - 8 form part of these financial statements

EUROPA UNDERWRITING LIMITED

BALANCE SHEET

31 DECEMBER 2003

CURRENT ASSETS	Note	2003	2002
Debtors	4	34,656	2
Cash at bank		<u>604</u>	-
		35,260	2
CURRENT LIABILITIES			
CREDITORS : Amounts falling due within one year	5	<u>32,465</u>	-
NET CURRENT ASSETS		<u>2,795</u>	<u>2</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£2,795</u>	<u>£2</u>
CAPITAL AND RESERVES			
Called-up equity share capital	7	100	2
Profit and loss account	8	<u>2,695</u>	-
SHAREHOLDERS' FUNDS		<u>£2,795</u>	<u>£2</u>

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 by the directors on the 24 May 2004 and are signed on their behalf by:

P T Baker

P T BAKER
DIRECTOR

S A Salter

S A SALTER
DIRECTOR

The notes on pages 7 - 8 form part of these financial statements

EUROPA UNDERWRITING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 DECEMBER 2002 TO 31 DECEMBER 2003

1. ACCOUNTING POLICIES

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 brokerage earned in the period.

Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2 OPERATING PROFIT

Operating profit is stated after charging :	2003	2002
Directors' emoluments	Nil	-
Auditors' remuneration	<u>£750</u>	=

3 TAX ON PROFIT ON ORDINARY ACTIVITIES

Current tax:	2003	2002
UK Corporation tax based on the results for the year	<u>484</u>	-
Total current tax	<u>£484</u>	=

4 DEBTORS

	2003	2002
Trade Debtors	34,656	-
Other Debtors	<u>Nil</u>	<u>2</u>
	<u>£34,656</u>	<u>£2</u>

5 CREDITORS : Amounts falling due within one year

	2003	2002
Trade Creditors	29,447	-
Corporation tax	484	-
Other creditors	<u>2,534</u>	=
	<u>£32,465</u>	=

6 RELATED PARTY TRANSACTIONS

The company was under the control of Blue Boar Holdings Limited, a company incorporated in the UK, throughout the current and previous year. Blue Boar Holdings Limited owns 100% of the company's issued share capital.

No transactions with related parties were undertaken such as are required to be disclosed under the Financial Reporting Standard for Smaller Entities.

EUROPA UNDERWRITING LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2003

7 SHARE CAPITAL

Authorised share capital:	2003	2002
100 Ordinary shares of £1 each	<u>£100</u>	<u>£100</u>

Allotted, called up and fully paid:	2003	2003	2002	2002
	No.		No.	
Ordinary shares of £1 each	<u>100</u>	<u>£100</u>	<u>2</u>	<u>£2</u>

PROFIT & LOSS ACCOUNT

	31 Dec 2003	30 Nov 02
Retained profit for financial period	2,793	-
Capitalisation of reserves (equity)	<u>(98)</u>	=
Balance carried forward	<u>£2,695</u>	=