

COMPANY NUMBER 02106087

GENERAL INSURANCE BROKERS  
(BAYSWATER) LIMITED

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 1994

G H WALA & CO

Chartered Accountants  
6 Helena Road  
London  
W5 2RA



GENERAL INSURANCE BROKERS  
(BAYSWATER) LIMITED

CONTENTS

	PAGE
OFFICERS AND PROFESSIONAL ADVISORS	1
DIRECTORS REPORT	2
AUDITORS REPORT	3
PROFIT AND LOSS ACCOUNT	4
BALANCE SHEET	5
NOTES TO THE FINANCIAL STATEMENTS	6-8
CASH FLOW STATEMENT	9

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The following does not form part of the  
statutory accounts

TRADING AND PROFIT AND LOSS ACCOUNT	10
PROFIT AND LOSS APPROPRIATION ACCOUNT	11

GENERAL INSURANCE BROKERS  
(BAYSWATER) LIMITED

OFFICERS AND PROFESSIONAL ADVISORS

Directors:

Sameer Mirza  
Rahail Mirza

Secretary:

Rahail Mirza

Registered Office:

298/300 Preston Road  
Harrow  
Middlesex  
HA3 OBQ

Auditors:

G H Wala & Co  
Chartered Accountants  
6 Helena Road  
London  
W5 2RA

Solicitors:

W R Burrows & Son  
298/300 Preston Road  
Harrow  
Middlesex  
HA3 OQB

Bankers:

National Westminster Bank  
71 Bishops Bridge Road  
London W2 6BQ

The Royal Bank of Scotland  
78 Notting Hill Gate  
London W11 3HS

Company Registration No:

02106087

DIRECTORS REPORT

The directors present their report to the members, together with audited annual accounts for the year ended 31 December 1994.

PRINCIPAL ACTIVITY

The principal activity of the company continued to be that of insurance broking.

DIRECTORS

The directors of the company and their interest in the shares of the company is set out below. There were no changes in the composition of the board of directors during the period.

	<u>Ordinary shares of £1 each</u>	
	<u>31 12 94</u>	<u>31 12 93</u>
Mr Sameer Mirza	13,000	13,000
Mr Rahail Mirza	5,100	5,100

DIRECTORS RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Company law requires the directors 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 and loss of the company for that period. In preparing those financial statements, the directors are required to:

- \*select suitable accounting policies and apply them consistently;
- \*make judgements 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 to operate.

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. They 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

The auditors Messrs G H Wala & Co., have signified their willingness to continue in office and a resolution proposing their re-appointment will be put to the forthcoming Annual General Meeting.

The directors have taken the advantage, in the preparation of their report, of the exemption applicable to small companies.

Approved by the board of directors on 7 February 1995.

By Order of the Board

Mr R Mirza ... *R. Mirza* ..... [Secretary]

AUDITORS REPORT

Auditors report to the members of

GENERAL INSURANCE BROKERS

(BAYSWATER) LIMITED

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practice Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of financial statements, and 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 misstatements, 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 financial statements give a true and fair view of the state of affairs of the company at 31 December 1994 and of the profit, total recognised gains and cash flow for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**G H WALA & CO**

Chartered Accountants and  
Registered Auditors

6 Helena Road  
London W5 2RA  
7 February 1995

GENERAL INSURANCE BROKERS  
(BAYSWATER) LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 1994

Notes

	<u>1994</u>	<u>1993</u>
1(b) <u>TURNOVER</u>	170,308	197,978
2 Other operating income	<u>7,570</u>	<u>9,678</u>
	177,878	207,656
Trading expenses	<u>(121,290)</u>	<u>(123,121)</u>
3 Operating profit on ordinary activities before taxation	56,588	84,535
5 Corporation tax	<u>(14,347)</u>	<u>(21,229)</u>
Profit on ordinary activities after taxation	42,241	63,306
4 Dividends proposed	<u>(20,000)</u>	<u>(20,000)</u>
Retained profit for the year	22,241	43,306
Retained profit brought forward	<u>136,006</u>	<u>92,700</u>
Retained profit carried forward	<u>£158,247</u>	<u>£136,006</u>
	=====	=====

All trading relates to continuing operations.

Statement of total recognised gains and losses

	<u>1994</u>	<u>1993</u>
Profit for the financial year	42,241	63,306
Currency translation difference	<u>(646)</u>	<u>(433)</u>
Total recognised gains for the year	<u>41,595</u>	<u>62,873</u>
	=====	=====

The notes set out on pages 6 to 8 form an integral part of these financial statements.

GENERAL INSURANCE BROKERS  
(BAYSWATER) LIMITED

BALANCE SHEET  
AS AT 31 DECEMBER 1994

Notes

	<u>FIXED ASSETS</u>	<u>1994</u>	<u>1993</u>
9	Tangible Assets	105,013	96,489
	<u>CURRENT ASSETS</u>		
6	Debtors	8,252	6,747
8	Cash at Bank and in Hand	<u>276,904</u>	<u>251,014</u>
		<u>285,156</u>	<u>257,761</u>
	<u>CURRENT LIABILITIES</u>		
10	Creditors: Amounts falling due within one year	<u>211,922</u>	<u>198,244</u>
		<u>211,922</u>	<u>198,244</u>
	<u>NET CURRENT ASSETS</u>	<u>73,234</u>	<u>59,517</u>
		<u>£178,247</u>	<u>£156,006</u>
		=====	=====
	<u>CAPITAL AND RESERVE</u>		
7	Called up Share Capital	20,000	20,000
13	Profit and Loss Account	<u>158,247</u>	<u>136,006</u>
		<u>£178,247</u>	<u>£156,006</u>
		=====	=====

The directors have taken advantage of special exemptions conferred by Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the accounts and have done so on the grounds that, in their opinion, the company is entitled to those exemptions.

The financial statements were approved by the directors on 7 February 1995.

Director: .....  ..... [S Mirza]

GENERAL INSURANCE BROKERS  
(BAYSWATER) LIMITED  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 1994

1. Accounting Policies

(a) Basis of accounting

The financial statements are prepared under the historical cost convention.

(b) Revenue and expense recognition  
Turnover

Turnover represents brokerage and fees which are taken to credit and debit when fee notes are issued irrespective of the inception date or period of insurance. Alterations in brokerage arising from return and additional premiums and adjustments are taken into account as and when these occur.

(c) Depreciation

Depreciation is provided on net book value of the assets at the following rates.

Motor Vehicles	25%
Furniture & Fittings	15%
Leasehold Premises	1%

(d) Foreign Currencies

Assets, liabilities, revenues and costs expressed in foreign currencies are translated into sterling rates of exchange ruling on the date on which transactions occur, except for monetary assets and liabilities which are translated at the rate ruling at the balance sheet date. Difference arising thereon of such items are dealt with in the profit and loss account.

2. Other Operating Income	<u>1994</u>	<u>1993</u>
Interest Receivable	8,216	10,111
Exchange Gains\ (Loss)	<u>(646)</u>	<u>(433)</u>
	<u>7,570</u>	<u>9,678</u>
3. Profit on Ordinary Activities		
The profit on ordinary activities is stated after charging:		
Depreciation	9,355	6,405
Profit on sale of Car	(1,389)	(2,921)
Directors Emoluments	21,336	21,336
Auditors Remuneration	2,300	2,100
	<u>=====</u>	<u>=====</u>
4. Dividends		
Proposed final dividend of £1		
(1993: £1) per Share	20,000	20,000
	<u>=====</u>	<u>=====</u>
5. Taxation		
Corporation Tax	14,347	21,229
	<u>=====</u>	<u>=====</u>
6. Debtors		
Prepayments	3,252	941
Advance Corporation Tax	<u>5,000</u>	<u>5,806</u>
	<u>8,252</u>	<u>6,747</u>

GENERAL INSURANCE BROKERS  
(BAYSWATER) LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 1994

7. Share Capital				
Authorised: Ordinary shares of £1 each		<u>1994</u>	<u>1993</u>	
		<u>20,000</u>	<u>20,000</u>	
Issued and fully paid: Ordinary shares of £1 each		<u>20,000</u>	<u>20,000</u>	
8. Cash at Bank and in Hand				
Cash at bank and in hand		41,753	17,263	
Call and short term deposit		<u>235,151</u>	<u>233,751</u>	
		<u>276,904</u>	<u>251,014</u>	
		=====	=====	
9. Fixed Assets				
	<u>Leasehold</u>	<u>Motor</u>	<u>Office</u>	
	<u>Premises</u>	<u>Vehicles</u>	<u>Furnit. &amp; Equip.</u>	<u>Total</u>
At Cost 1. 1. 94	75,393	24,079	57,240	156,712
Addition	-	35,397	3,094	38,491
Disposal	-	(31,616)	-	(31,616)
At 31 12 94	<u>75,393</u>	<u>27,860</u>	<u>60,334</u>	<u>163,587</u>
	=====	=====	=====	=====
Depreciation				
Balance 1. 1. 94	1,500	13,417	45,306	60,223
Disposal	-	(11,004)	-	(11,004)
Charge in year	<u>739</u>	<u>6,362</u>	<u>2,254</u>	<u>9,355</u>
At 31. 12. 94	<u>2,239</u>	<u>8,775</u>	<u>47,560</u>	<u>58,574</u>
	=====	=====	=====	=====
<u>BOOK VALUE</u>				
At 31 December 1994	<u>73,154</u>	<u>19,085</u>	<u>12,774</u>	<u>105,013</u>
	=====	=====	=====	=====
At 31 December 1993	<u>73,893</u>	<u>10,662</u>	<u>11,934</u>	<u>96,489</u>
	=====	=====	=====	=====
10. Creditors: Amounts falling due within one year				
Insurance Creditors		172,062	146,286	
Corporation Tax		8,540	14,587	
Other Taxation		6,973	7,279	
Dividends		20,000	20,000	
Accruals and Deferred Income		<u>4,347</u>	<u>10,092</u>	
		<u>211,922</u>	<u>198,244</u>	
		=====	=====	

GENERAL INSURANCE BROKERS  
(BAYSWATER) LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 1994

	<u>1994</u>	<u>1993</u>
11. Client Accounts		
Client account balances	95,254	78,681
Client monies at bank	(95,254)	(78,681)
	-	-
	=====	=====
12. Reconciliation of operating profit to net cash flow from operating activities		
Operating Profit	48,372	74,424
Depreciation of tangible fixed assets	9,355	6,405
Decrease\ (increase) in debtors	(1,505)	1,204
Increase\ (decrease) in trade creditors	25,776	2,453
Increase\ (decrease) in taxes and social security	(306)	612
Increase\ (decrease) in other creditors and accruals	(5,745)	8,306
Profit on disposal of fixed assets	(1,389)	(2,921)
	74,558	90,483
	=====	=====
Cash and Cash Equivalents		
Changes during the year		
At 31 December 1993	251,014	200,007
Net cash inflow\ (outflow)	25,890	51,007
At 31 December 1994	276,904	251,014
	=====	=====
13. Reconciliation of movements in shareholders' funds		
Profit for the financial year	42,241	63,306
Dividends	(20,000)	(20,000)
Net increase in shareholders' funds	22,241	43,306
Opening shareholders' funds	136,006	92,700
Closing shareholders' funds	158,247	136,006
	=====	=====

14. Contingent Liabilities

The directors are not aware of of any claims, potential claims or liabilities against the company, which would materially affect the company's financial position.

GENERAL INSURANCE BROKERS  
(BAYSWATER) LIMITED

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 1994

<u>Notes</u>	<u>1994</u>	<u>1993</u>
12. Net cash flow from operating activities	<u>74,558</u>	<u>90,483</u>
Returns on investments and servicing finance		
Dividends paid	(20,000)	(20,000)
Interest Received	<u>8,216</u>	<u>10,111</u>
Net cash outflow from returns on investment and servicing of finance	( <u>11,784</u> )	( <u>9,889</u> )
Taxation		
Tax Paid	( <u>20,393</u> )	( <u>21,948</u> )
Investing Activities		
Sale of tangible fixed assets	22,000	5,800
Purchase of tangible fixed assets	( <u>38,491</u> )	( <u>13,439</u> )
Net cash inflow\ (outflow) before financing	<u>25,890</u>	<u>51,007</u>
12. Increase\ (decrease) in cash and cash equivalent	<u>25,890</u>	<u>51,007</u>
	<u>25,890</u>	<u>51,007</u>