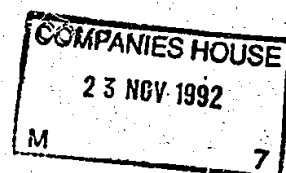


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K.E.PETHERWICK LIMITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST AUGUST 1992



**Wilson Sandford & Co.**  
CHARTERED ACCOUNTANTS  
85 Church Road, Hove, East Sussex. BN3 2BB  
Telephone: Brighton (0273) 821441 Facsimile: Brighton (0273) 26724



K.E.PETHERWICK LIMITED

COMPANY INFORMATION

Directors:

K.E.Petherwick  
S.R.Marriott-Smalley  
K.R.Garland  
D.A.Thomson

Secretary:

K.R.Garland

Registered Office:

97 Church Street,  
Brighton,  
East Sussex, BN1 1UJ.

Registered in England on:

19th April 1978

Company No:

1363824

Bankers:

Midland Bank Plc,  
125 Church Road,  
Hove,  
East Sussex,  
BN3 2AN.

Auditors:

Wilson Sandford & Co.,  
Chartered Accountants,  
85 Church Road,  
Hove,  
East Sussex, BN3 2BB.

**K.E.PETHERWICK LIMITED**

**INDEX TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST AUGUST 1992**

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1	Notice of Meeting
2	Directors' Report
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4	Profit and Loss Account
5	Balance Sheet
6 - 11	Notes to the Financial Statements
12 - 13	Detailed Profit and Loss Account

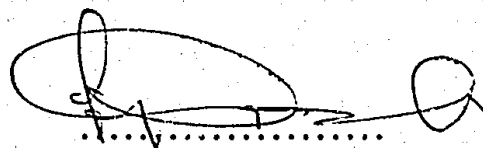
K.E.PETTERWICK LIMITED

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of the Company will be held at RECENT HOUSE on 16 November 1992 at 2 p.m. for the following purposes:-

1. To receive the Minutes of the previous Meeting, as circulated.
2. To receive the Report of the Directors, together with the Financial Statements of the Company, for the year ended 31st August 1992, as circulated.
3. To re-elect the Directors.
4. To re-appoint the Auditors, Messrs. Wilson Sandford & Co., for the year to 31st August 1993, and to authorise the Directors to fix the remuneration of the Auditors.
5. To transact any other business.

By Order of the Board



K.R. Garland  
SECRETARY

## K.E.PETHERWICK LIMITED

### DIRECTORS' REPORT

#### FOR THE YEAR ENDED 31ST AUGUST 1992

The Directors present herewith their annual report, together with the audited Financial Statements of the company for the year ended 31st August 1992.

#### RESULTS AND DIVIDENDS

The profit for the year after taxation was £26,935.

The Directors do not recommend payment of a dividend for the current year.

#### REVIEW OF THE BUSINESS

The company's principal activity in the year under review has continued to be that of Insurance Brokers.

#### DIRECTORS AND THEIR INTERESTS

The Directors of the company during the year and their interests in the share capital of the company were as follows:

	<u>Number of shares</u>	
	<u>31st August 1992</u>	<u>31st August 1991</u>
K.E.Petherwick	55,000	55,000
S.R.Marriott-Smalley	18,000	18,000
K.R.Garland	13,500	9,000
J.G.Cowen (Resigned 14th Feb. 1992)	-	9,000
D.A.Thomson	13,500	9,000

K.E.Petherwick is a partner in Keith Petherwick and Partners. Life commissions are received from and paid to the partnership on a normal commercial basis.

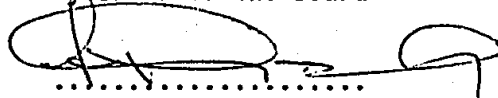
#### FIXED ASSETS

Movements in Fixed Assets during the year are recorded in the notes to the accounts.

#### AUDITORS

It is proposed that the company's present auditors, Wilson Sandford & Co. be re-appointed as auditors to the company in accordance with Section 384 of the Companies Act 1985.

By Order of the Board

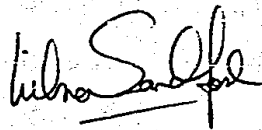


K.R.Garland  
SECRETARY

AUDITORS' REPORT TO THE MEMBERS OF  
K.E.PETHERWICK LIMITED

We have audited the financial statements on pages 4 to 11 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st August 1992 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Wilson Sandford & Co.  
Registered Auditors  
Chartered Accountants

85 Church Road  
Hove  
BN3 2BB

4th November 1992

**K.E.PETTERWICK LIMITED****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31ST AUGUST 1992**

	<u>Notes</u>	£	<u>1992</u> £	£	<u>1991</u> £
TURNOVER	2		523,973		527,886
ADMINISTRATION COSTS			481,764		476,458
Other operating income	3		42,209 9,772		51,428 8,678
OPERATING PROFIT	4/5		51,981		60,106
Interest payable	6		(12,611)		(13,316)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			39,370		46,790
Tax on ordinary activities	7		12,435		12,605
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			26,935		34,185
Dividends	8		-		36,000
			26,935		(1,815)
RETAINED PROFIT BROUGHT FORWARD			133		46,948
Reserves Capitalised			-		(45,000)
RETAINED PROFIT CARRIED FORWARD			£ 27,068		£ 133

K.E.PETHERWICK LIMITED

BALANCE SHEET

AS AT 31ST AUGUST 1992

	<u>Notes</u>	£	<u>1992</u> £	£	<u>1991</u> £
<b>FIXED ASSETS</b>					
Intangible assets	9		68,400		76,950
Tangible assets	10		69,273		86,829
			<u>137,673</u>		<u>163,779</u>
<b>CURRENT ASSETS</b>					
Debtors	11	452,837		486,860	
Cash at bank and in hand		7,287		92,938	
		<u>460,124</u>		<u>579,798</u>	
CREDITORS - amounts falling due within one year	12	(463,354)		(633,964)	
<b>NET CURRENT (LIABILITIES)</b>			<u>(3,230)</u>		<u>(54,166)</u>
<b>ASSETS LESS CURRENT LIABILITIES</b>			134,443		109,613
CREDITORS - amounts falling due after more than one year	13		(7,375)		(9,480)
<b>NET ASSETS</b>			<u>£ 127,068</u>		<u>£ 100,133</u>

Financed by:

**CAPITAL AND RESERVES**

Called up share capital	14	100,000	100,000
Profit and loss account		27,068	133
		<u>£ 127,068</u>	<u>£ 100,133</u>

These Financial Statements were approved by the Board of Directors on 4th November 1992.

.....

K.E.Petherwick

.....

S.R.Marriott-Smalley



## K.E.PETHERWICK LIMITED

### NOTES TO THE ACCOUNTS

#### 1. ACCOUNTING POLICIES

##### 1.1 Accounting conventions

The financial statements are prepared under the historical cost convention.

##### 1.2 Turnover

This represents commissions received by the company during the year.

##### 1.3 Depreciation of intangible assets

The Company's policy is to write off goodwill evenly over its economic life of 10 years.

##### 1.4 Depreciation of tangible assets

Provision is made for depreciation on all tangible assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

Leasehold building	- evenly over the lease term
Furniture and equipment:	20% per annum on reducing balance
Motor vehicles:	25% per annum on reducing balance

##### 1.5 Cash flow statement

The company qualifies as a small company under Section 247 of the Companies Act 1985 and is exempt from preparing a Cash Flow Statement under the provisions of the Financial Reporting Standard 1.

#### 2. TURNOVER

The turnover and pre-tax Profit are wholly attributable to the company's main activity.  
The turnover arises entirely in the U.K.

#### 3. OTHER OPERATING INCOME

Interest receivable  
Rent receivable

<u>1992</u>	<u>1991</u>
<u>£</u>	<u>£</u>
4,647	4,628
5,125	4,050
<u>£ 9,772</u>	<u>£ 8,678</u>

# K.E.PETHERWICK LIMITED

## NOTES TO THE ACCOUNTS - continued

<b>4. OPERATING PROFIT</b>	<b><u>1992</u></b>	<b><u>1991</u></b>
	<b>£</b>	<b>£</b>
This is stated after charging (crediting):		
Staff costs (see note 5)	294,197	276,433
Auditors' remuneration	2,200	2,200
Depreciation	28,172	29,264
Adjustment on disposal of fixed assets	2,404	425
	<u>          </u>	<u>          </u>
<b>5. EMPLOYEE INFORMATION</b>	<b><u>1992</u></b>	<b><u>1991</u></b>
	<b>£</b>	<b>£</b>
<b>5.1 Staff costs:</b>		
Wages and salaries	261,226	255,010
Social security costs	24,258	21,423
Other costs	8,713	-
	<u>          </u>	<u>          </u>
	<b>£ 294,197</b>	<b>£ 276,433</b>
	<u>          </u>	<u>          </u>
<b>5.2 The average weekly number of employees during the year was made up as follows:</b>	<b>No.</b>	<b>No.</b>
Office and management	21	18
	<u>          </u>	<u>          </u>
	21	18
	<u>          </u>	<u>          </u>
<b>5.3 Directors' emoluments:</b>		
Fees and salaries	113,070	112,542
	<u>          </u>	<u>          </u>
	<b>£ 113,070</b>	<b>£ 112,542</b>
	<u>          </u>	<u>          </u>
Further details, excluding pension contributions:		
Highest paid director	26,400	24,000
	<u>          </u>	<u>          </u>
Chairman's emoluments	23,710	21,514
	<u>          </u>	<u>          </u>
Other directors' emoluments fell within the following ranges:	<b>No.</b>	<b>No.</b>
£10,001 - £15,000	1	-
£15,001 - £20,000	-	-
£20,001 - £25,000	-	3
£25,001 - £30,000	2	-
	<u>          </u>	<u>          </u>
	3	3
	<u>          </u>	<u>          </u>

# K.E.PETKERWICK LIMITED

## NOTES TO THE ACCOUNTS - continued

### 6. INTEREST PAYABLE

	<u>1992</u>	<u>1991</u>
	£	£
On bank overdrafts repayable within 5 years	3,314	6,219
On loans repayable within 5 years	8,855	6,856
On other loans	442	241
	<u>£ 12,611</u>	<u>£ 13,316</u>

### 7. TAXATION

	<u>1992</u>	<u>1991</u>
	£	£
7.1 The tax charge on the Profit on ordinary activities for the year was as follows:		
U.K corporation tax at 25% (1991 - 25%)	13,423	14,066
	<u>13,423</u>	<u>14,066</u>
Taxation (over)/underprovided in previous years:		
Corporation tax	(988)	(1,461)
	<u>£ 12,435</u>	<u>£ 12,605</u>

7.2 The company is a close company within the terms of section 414 of the Taxes Act 1988

### 8. DIVIDENDS

	<u>1992</u>	<u>1991</u>
	£	£
Dividend paid:		
36p per share.	-	36,000
	<u>-</u>	<u>36,000</u>

### 9. INTANGIBLE FIXED ASSETS

	<u>Goodwill</u>
	£
Cost:	
At 1st September 1991 and	
At 31st August 1992	85,500
Amortisation:	
At 1st September 1991	8,550
Charge for year	8,550
	<u>17,100</u>
At 31st August 1992	
Net book value at 31st August 1992	£68,400
Net book value at 31st August 1991	<u>£76,950</u>

**K.E.PETHERWICK LIMITED**

**NOTES TO THE ACCOUNTS - continued**

**10. TANGIBLE FIXED ASSETS**

	<u>Leasehold additions</u>	<u>Furniture and equipment</u>	<u>Motor vehicles</u>	<u>Total</u>
	£	£	£	£
Cost:				
At 1st September 1991	7,001	90,864	73,664	171,529
Additions	-	4,070	23,000	27,070
Disposals	-	-	(50,914)	(50,914)
At 31st August 1992	<u>7,001</u>	<u>94,934</u>	<u>45,750</u>	<u>147,685</u>
Depreciation:				
At 1st September 1991	5,393	51,977	27,330	84,700
Charge for year	322	8,217	11,083	19,622
Disposals	-	-	(25,910)	(25,910)
At 31st August 1992	<u>5,715</u>	<u>60,194</u>	<u>12,503</u>	<u>78,412</u>
Net book value at 31st August 1992	<u>£ 1,286</u>	<u>£ 34,740</u>	<u>£ 33,247</u>	<u>£ 69,273</u>
Net book value at 31st August 1991	<u>£ 1,608</u>	<u>£ 38,887</u>	<u>£ 46,334</u>	<u>£ 86,829</u>

Included in the amounts for assets above are the following amounts relating to leased assets and assets which are subject to hire purchase contracts:

	<u>Finance leases</u>	<u>Hire purchase contracts</u>
Cost:		
At 1st September 1991	62,241	32,600
At 31st August 1992	9,692	38,000
Accumulated depreciation:		
At 1st September 1991	29,478	6,172
At 31st August 1992	4,730	10,203
Net book value:		
At 31st August 1992	<u>£ 4,962</u>	<u>£ 27,797</u>
At 31st August 1991	<u>£ 32,763</u>	<u>£ 25,888</u>

**K.E.PETHERWICK LIMITED****NOTES TO THE ACCOUNTS - continued****11. DEBTORS**

	<u>1992</u> £	<u>1991</u> £
Trade debtors	429,113	468,921
Other debtors	15,592	8,696
Prepayments	7,188	9,243
Directors' current accounts	344	-
	<u>£452,837</u>	<u>£486,860</u>

**12. CREDITORS - AMOUNTS FALLING DUE  
WITHIN ONE YEAR**

	<u>1992</u> £	<u>1991</u> £
Bank loans and overdraft	17,250	56,454
Obligations under lease and hire purchase contracts	10,702	19,420
Trade creditors	397,610	518,448
Corporation tax	13,423	14,066
Other taxes and social security costs	6,671	5,925
Directors' current accounts	469	1,879
Other creditors	8,864	9,112
Accruals	8,365	8,660
	<u>£463,354</u>	<u>£633,964</u>

**13. CREDITORS - AMOUNTS FALLING DUE  
AFTER MORE THAN ONE YEAR**

	<u>1992</u> £	<u>1991</u> £
Obligations under lease and hire purchase contracts	7,375	9,480
	<u>£ 7,375</u>	<u>£ 9,480</u>

The Midland Bank holds, as security, a fixed and floating charge over the assets of the company excluding any assets, the charging of which would constitute a breach of Insurance Brokers Registration Council (Accounts and Business Requirements) rules.

**K.E.PETHERWICK LIMITED**

**NOTES TO THE ACCOUNTS**

**14. SHARE CAPITAL**

	<u>Authorised</u> £	<u>Allotted, Issued and fully paid</u>	
		<u>1992</u> £	<u>1991</u> £
100,000 Ordinary shares of £1 each	100,000	100,000	100,000
10,000 Non Voting A shares of 10p each	1,000	-	-
10,000 Non Voting B shares of 10p each	1,000	-	-
	<u>£102,000</u>	<u>£100,000</u>	<u>£100,000</u>

**15. TRANSACTIONS WITH DIRECTORS**

During the year the following interest free loans were made to  
to directors:

	<u>Maximum during year</u> £	<u>31st August 1992</u> £
K.E.Petherwick	17,381	-
K.R.Garland	3,628	253
S.R.Marriott-Smalley	7,013	338
D.A.Thomson	3,628	353
		<u>£ 944</u>