
WESSEX ADMINISTRATION SERVICES LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**



WESSEX ADMINISTRATION SERVICES LIMITED

COMPANY INFORMATION

DIRECTORS J D Monkcom
G J Sampson
N P D Preston

COMPANY SECRETARY G J Sampson

COMPANY NUMBER 1871314

REGISTERED OFFICE Jewry House
Jewry Street
Winchester
Hampshire
SO23 8RZ

AUDITORS Nexia Smith & Williamson
Chartered Accountants & Statutory Auditor
Imperial House
18-21 Kings Park Road
Southampton
Hampshire
SO15 2AT

BANKERS Barclays Bank Plc
PO Box 612
Ocean Way, Ocean Village
Southampton
Hampshire
SO14 2ZP

SOLICITORS Dutton Gregory LLP
Trussel House
23 St Peter Street
Winchester
Hampshire
SO23 8BT

WESSEX ADMINISTRATION SERVICES LIMITED

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WESSEX ADMINISTRATION SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2010

The directors present their report and the financial statements for the year ended 30 June 2010

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The principal activity of the company continued to be that of providing administrative support services to connected companies

During the course of the year the company continued to provide management services to associated companies which decreased by 7% in terms of turnover and 6% in net profitability

The company continues to invest in its service infrastructure to ensure effective cost control and ongoing operational efficiency improvements

The company continues to provide management services across a range of personal lines insurance products in order to reduce the financial effect of a business downturn within a specific segment

At the year end the company had shareholders funds of £1,832,979 including distributable profits of £33,195. The directors therefore believe the company's position to be satisfactory

The directors have assessed the main risk facing the company as being a downturn in the insurance market and the continuing rise in unemployment

The directors believe that the mix of service expertise across a number of personal lines products will help mitigate these risks and hope to see continued growth and satisfactory trading results in the coming year

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £154,571 (2009 - £164,602)

Dividends of £154,571 (2009 £164,454) were paid in the year

DIRECTORS

The directors who served during the year were

J D Monkcom
G J Sampson
N P D Preston

AUDITORS

The auditors, Nexia Smith & Williamson, are deemed to be reappointed under section 487(2) of the Companies Act 2006

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

WESSEX ADMINISTRATION SERVICES LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2010**

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

This report was approved by the board and signed on its behalf


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J D Monkcom
Director

Date 28 September 2010

WESSEX ADMINISTRATION SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF WESSEX ADMINISTRATION SERVICES LIMITED

We have audited the financial statements of Wessex Administration Services Limited for the year ended 30 June 2010, which comprise the Profit and loss account, the Balance sheet and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/UKNP.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

WESSEX ADMINISTRATION SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF WESSEX ADMINISTRATION SERVICES LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Nexia Smith & Williamson

Andrew Edmonds (Senior statutory auditor)

for and on behalf of

NEXIA SMITH & WILLIAMSON

Chartered Accountants
Statutory Auditor

Imperial House
18-21 Kings Park Road
Southampton
Hampshire
SO15 2AT

Date *5th October 2010*

WESSEX ADMINISTRATION SERVICES LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2010**

	Note	2010 £	2009 £
TURNOVER	1,2	1,738,470	1,869,621
Administrative expenses		<u>(1,557,169)</u>	<u>(1,646,170)</u>
OPERATING PROFIT	3	181,301	223,451
Interest receivable	6	-	480
Interest payable	7	<u>(26,730)</u>	<u>(59,329)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		154,571	164,602
Tax on profit on ordinary activities	8	-	-
PROFIT FOR THE FINANCIAL YEAR	14	<u>154,571</u>	<u>164,602</u>

All amounts relate to continuing operations


There were no recognised gains and losses for 2010 or 2009 other than those included in the Profit and loss account

WESSEX ADMINISTRATION SERVICES LIMITED
REGISTERED NUMBER. 1871314

BALANCE SHEET
AS AT 30 JUNE 2010

	Note	£	2010 £	£	2009 £
FIXED ASSETS					
Tangible fixed assets	9		1,859,729		1,870,343
CURRENT ASSETS					
Debtors	10	393,268		940,188	
Cash at bank		1,005,188		547,180	
			1,398,456		1,487,368
CREDITORS: amounts falling due within one year	11	(210,666)		(207,679)	
NET CURRENT ASSETS			1,187,790		1,279,689
TOTAL ASSETS LESS CURRENT LIABILITIES			3,047,519		3,150,032
CREDITORS: amounts falling due after more than one year	12		(1,214,540)		(1,317,053)
NET ASSETS			1,832,979		1,832,979
CAPITAL AND RESERVES					
Called up share capital	13		1,681,375		1,681,375
Share premium account	14		118,409		118,409
Profit and loss account	14		33,195		33,195
SHAREHOLDERS' FUNDS	15		1,832,979		1,832,979

The financial statements were approved and authorised for issue by the board and were signed on its behalf by

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J D Monkcom
 Director

Date 28 September 2010

WESSEX ADMINISTRATION SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1

1.3 Turnover

Turnover as shown in the profit and loss account represents management charges receivable during the year. These are recognised at the end of the month that the charge becomes payable

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold Land	-	Land is not depreciated
Buildings	-	50 years
Fixtures, fittings & equipment	-	2-5 years
Computer equipment	-	2-4 years

1.5 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.6 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

WESSEX ADMINISTRATION SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

2 TURNOVER

The total turnover of the company for the year has been derived from its principal activity

All turnover arose within the United Kingdom

3 OPERATING PROFIT

The operating profit is stated after charging

	2010	2009
	£	£
Depreciation of tangible fixed assets - owned by the company	40,580	49,403
Auditors' remuneration	5,750	5,750
	<u>46,330</u>	<u>55,153</u>

Fees payable to the company's auditors and their associates for non audit services to the company are not required to be disclosed because the consolidated financial statements of the parent company are required to disclose such fees on a consolidated basis

4 STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2010	2009
	£	£
Wages and salaries	860,449	774,414
Social security costs	82,021	76,970
Other pension costs	67,006	77,782
	<u>1,009,476</u>	<u>929,166</u>

The average monthly number of employees, including the directors, during the year was as follows

	2010	2009
	No.	No
Directors	3	3
Production	22	19
Administration	11	11
	<u>36</u>	<u>33</u>

WESSEX ADMINISTRATION SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

5. DIRECTORS' REMUNERATION

	2010 £	2009 £
Emoluments	<u>125,161</u>	<u>123,943</u>
Company pension contributions to money purchase pension schemes	<u>11,232</u>	<u>14,944</u>

During the year retirement benefits were accruing to 2 directors (2009 2) in respect of money purchase pension schemes

6. INTEREST RECEIVABLE

	2010 £	2009 £
Bank interest receivable	<u>-</u>	<u>480</u>

7. INTEREST PAYABLE

	2010 £	2009 £
On bank loans and overdrafts	<u>26,730</u>	<u>59,329</u>

8. TAXATION

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2009 - lower than) the standard rate of corporation tax in the UK (21%) The differences are explained below

	2010 £	2009 £
Profit on ordinary activities before tax	<u>154,571</u>	<u>164,602</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2009 - 21%)	32,460	34,566
Effects of:		
Expenses not deductible for tax purposes	14,079	10,813
Capital allowances for year in excess of depreciation	(13,428)	(6,021)
Utilisation of tax losses	(33,111)	(39,358)
Current tax charge for the year (see note above)	<u>-</u>	<u>-</u>

The company has estimated losses of £181,555 (2009 £339,229) available for carry forward against future trading profits

WESSEX ADMINISTRATION SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

9. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Computer equipment £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 July 2009	1,889,870	164,770	149,854	2,204,494
Additions	-	14,706	15,260	29,966
Disposals	-	(52,601)	(22,260)	(74,861)
At 30 June 2010	<u>1,889,870</u>	<u>126,875</u>	<u>142,854</u>	<u>2,159,599</u>
Depreciation				
At 1 July 2009	29,000	163,020	142,131	334,151
Charge for the year	29,000	4,009	7,571	40,580
On disposals	-	(52,601)	(22,260)	(74,861)
At 30 June 2010	<u>58,000</u>	<u>114,428</u>	<u>127,442</u>	<u>299,870</u>
Net book value				
At 30 June 2010	<u>1,831,870</u>	<u>12,447</u>	<u>15,412</u>	<u>1,859,729</u>
At 30 June 2009	<u>1,860,870</u>	<u>1,750</u>	<u>7,723</u>	<u>1,870,343</u>

10 DEBTORS

	2010 £	2009 £
Amounts owed by group undertakings	347,807	893,719
Other debtors	2,212	424
Prepayments and accrued income	43,249	46,045
	<u>393,268</u>	<u>940,188</u>

11. CREDITORS.

Amounts falling due within one year

	2010 £	2009 £
Bank loans and overdrafts	59,417	60,214
Trade creditors	45,506	56,181
Social security and other taxes	28,811	27,292
Accruals and deferred income	76,932	63,992
	<u>210,666</u>	<u>207,679</u>

WESSEX ADMINISTRATION SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

**12. CREDITORS:
Amounts falling due after more than one year**

	2010 £	2009 £
Bank loans	<u>1,214,540</u>	<u>1,317,053</u>

Included within the above are amounts falling due as follows

	2010 £	2009 £
Between one and two years		
Bank loans	<u>60,614</u>	<u>61,427</u>
Between two and five years		
Bank loans	<u>189,271</u>	<u>191,709</u>
Over five years		
Bank loans	<u>964,655</u>	<u>1,063,917</u>

Creditors include amounts not wholly repayable within 5 years as follows

	2010 £	2009 £
Repayable by instalments	<u>964,655</u>	<u>1,063,917</u>

The loan represents a first mortgage charge over the freehold property repayable over 20 years. The interest rate on the mortgage is Bank of England base rate plus 1.5%.

13. SHARE CAPITAL

	2010 £	2009 £
Allotted, called up and fully paid		
6,725,500 Ordinary shares of 25p each	<u>1,681,375</u>	<u>1,681,375</u>

14. RESERVES

	Share premium account £	Profit and loss account £
At 1 July 2009	118,409	33,195
Profit for the year	-	154,571
Dividends Equity capital	-	(154,571)
At 30 June 2010	<u>118,409</u>	<u>33,195</u>

WESSEX ADMINISTRATION SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

15 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2010 £	2009 £
Opening shareholders' funds	1,832,979	1,832,831
Profit for the year	154,571	164,602
Dividends (Note 16)	(154,571)	(164,454)
Closing shareholders' funds	<u>1,832,979</u>	<u>1,832,979</u>

16. DIVIDENDS

	2010 £	2009 £
Dividends paid on equity capital	<u>154,571</u>	<u>164,454</u>

17. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £67,006 (2009 £77,782). Contributions totalling £580 (2009 £53) were payable to the fund at the balance sheet date and are included in creditors.

18 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

Rent was charged to Accelerator Limited, a company related through common shareholders and directors, of £4,593 (2009 £6,890).

19. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate and ultimate parent company is WIMS Limited, a company registered in England and Wales. Copies of WIMS Limited accounts can be obtained from the registered office, Jewry House, Jewry Street, Winchester, Hampshire, SO23 8RZ.