

**B.T.I. INVESTMENTS**  
**REPORT AND FINANCIAL STATEMENTS**  
**DECEMBER 31, 2004**  
**Company Registered Number: 928440**



## B.T.I. INVESTMENTS

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**DIRECTORS' REPORT**

The Directors present their annual report on the affairs of the Company together with the audited financial statements for the year ended 31 December 2004

**Results and dividends**

The results of the Company for the year ended 31 December 2004, after providing for taxation, show a profit of £4,706,660 (2003 - profit of £1,667,886). *The Directors do not recommend a dividend for the year (2003 £nil).*

**Activities and Review of Business**

The Company acts as an investment company. The directors do not anticipate any significant changes in the nature of this activity in the future.

The position as at the end of the year is reflected in the audited Balance Sheet as set out on page 6.

**Directors**

The Directors of the Company at 31 December 2004 and subsequent to year end were as follows:

D D O Keen  
A C F Smith  
R J R Harding  
D M Brush (resigned 14 January 2004)  
A W Dixon (resigned 14 January 2004)

A P Rutherford acted as secretary throughout the year. There were no further changes during the year or subsequent to the year end.

As at the date of approval, and during the year, the company had in force a third party qualifying indemnity provision for the benefit of its directors.

## B.T.I. INVESTMENTS

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### Statement of directors' responsibilities in respect of the financial statements

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

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 or loss of the Company for that year. In preparing those 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;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 which enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Under applicable law the directors are also responsible for preparing a Directors' Report that complies with the law.

### Directors' interests


None of the directors had an interest in the share capital of the Company during the year.

None of the directors had any disclosable interest in the shares or debentures of any UK group undertaking at the end of the year, or were granted or exercised any right to subscribe for shares in, or debentures of, any UK group undertaking during the year.

### Auditors

Pursuant to section 379A of the Companies Act 1985, the Company has elected to dispense with the annual appointment of Auditors and KPMG Audit PLC will, therefore, continue in office.

### ON BEHALF OF THE BOARD



**A P Rutherford**  
**Company Secretary**

27 June

2006

Winchester House  
1 Great Winchester Street  
London  
EC2N 2DB

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**REPORT OF THE INDEPENDENT AUDITORS  
to the Members of B.T.I. Investments**

We have audited the financial statements on pages 4 to 11.

This report is made solely to the company's members, 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 members those matters we are required to state to them in an auditor's 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'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**

The directors are responsible for preparing the directors' report and as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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. 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.

**Basis of audit opinion**

We conducted our audit in accordance with 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 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG Audit Plc*

KPMG Audit Plc  
Chartered Accountants  
Registered Auditor  
8 Salisbury Square  
London EC4Y 8BB

*27<sup>th</sup> June* 2006

**B.T.I. INVESTMENTS**

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**PROFIT AND LOSS ACCOUNT**  
**for the year ended December 31, 2004**

	<b>Notes</b>	<b>2004</b> <b>£</b>	<b>2003</b> <b>£</b>
Gain on the sale of investments		-	1,193,830
Income from investments		41,625	896,292
Interest and other similar income received from group undertakings		7,095,570	5,694,454
Interest and other similar expense paid to parent undertaking		(392,258)	(552,574)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>6,744,937</u>	<u>7,232,002</u>
Tax on profit on ordinary activities	5	<u>(2,038,277)</u>	<u>(5,564,116)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><u>4,706,660</u></u>	<u><u>1,667,886</u></u>

Profit during the year has arisen from continuing operations.

The notes on pages 7 to 11 form part of these financial statements.

## B.T.I. INVESTMENTS

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### STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the year ended December 31, 2004

	Note	2004 £	2003 £
Profit for the year		4,706,660	1,667,886
Revaluation of Investment		(2,452)	-
Total recognised gains relating to the year		<u>4,704,208</u>	<u>1,667,886</u>


The notes on pages 7 to 11 form part of these financial statements.

# B.T.I. INVESTMENTS

## BALANCE SHEET at December 31, 2004

	Note	2004 £	2003 £
<b>FIXED ASSETS</b>			
Investments	6	133,298	135,750
<b>CURRENT ASSETS</b>			
Debtors: due after one year	7	16,567,570	13,927,347
Cash held with bank	8	148,829,744	142,269,696
		<u>165,397,314</u>	<u>156,197,043</u>
<b>CREDITORS: amounts falling due within one year</b>	9	(10,491,710)	(5,998,099)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>155,038,902</u>	<u>150,334,694</u>
<b>NET ASSETS</b>		<u>155,038,902</u>	<u>150,334,694</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10,11	49,158,243	49,158,243
Share premium account	11	7,921,234	7,921,234
Revaluation reserve	11	29,848	32,300
Profit and loss account	11	97,929,577	93,222,917
		<u>155,038,902</u>	<u>150,334,694</u>
Shareholders' funds:			
Equity		105,886,894	101,182,686
Non-equity		49,152,008	49,152,008
<b>SHAREHOLDERS' FUNDS</b>		<u>155,038,902</u>	<u>150,334,694</u>

The notes on pages 7 to 11 form part of these financial statements.

  
Signed by David Keen for and  
on behalf of the Board of Directors  
this 27th day of June 2006



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**NOTES TO THE FINANCIAL STATEMENTS**  
**at December 31, 2004**

**1 Accounting policies**

**Basis of preparation**

These financial statements have been prepared under the historical cost convention except for investments in the equity capital of subsidiary undertakings, and in accordance with Companies Act 1985 and applicable accounting standards.

**Valuation of fixed asset investments**

Investments in the equity capital of subsidiary undertakings are revalued to reflect current net asset values. In the situation where an undertaking's liabilities exceed its assets, the Company carries the investment at zero. Any surplus on revaluation, and any deficit which is deemed to be temporary, has been taken to the revaluation reserve. Provision for any deficit which is deemed to be permanent is taken to the profit and loss account.

All other investments, including investments in the non-equity capital of subsidiary undertakings, are valued at cost less amounts provided for any permanent diminution in value.

**Format of accounts**

Group financial statements have not been prepared by virtue of section 228 of the Companies Act, whereby a Company is exempt from the preparation of group accounts if it is a wholly owned subsidiary undertaking and its immediate parent undertaking is established under the law of a member state of the European Community. Accordingly, these financial statements present information about the Company as an individual undertaking and not about its group.

The Company is exempt from the requirement to prepare a cash flow statement under Financial Reporting Standard 1 (Revised 1996) as it is a wholly owned subsidiary undertaking of a company which prepares consolidated financial statements which are publicly available. The Company's ultimate parent company, Deutsche Bank AG presents a cash flow statement in its Annual Report.

*The Company has taken advantage of the exemption in FRS 8 from disclosing transactions with related parties which are part of the DB world-wide group. Both of the exemptions above also rely on DB's consolidated financial statements being publicly available (see Note 12).*

**Income Recognition**

Interest income and expense is accounted for on an accruals basis. Dividend income is also recognised on an accruals basis.

**Foreign currency**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or if hedged forward, at the rate of exchange under the related forward currency contract. Assets and liabilities in currencies other than sterling are translated at the rates of exchange at the balance sheet date. Gains and losses on translation are taken to the profit and loss account.

**Taxation**

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not yet reversed by the balance sheet date, except otherwise required by FRS19.

**Administration expenses**

Administration expenses relate to those working capital calls which are designated as management costs and paid in relation to the Company's investments. Any other expenses incurred in the Company's operations have been borne by a Deutsche Bank Group Company who has made no charge.

## B.T.I. INVESTMENTS

### NOTES TO THE FINANCIAL STATEMENTS at December 31, 2004 (continued)

#### 2 Directors' remuneration

The aggregate emoluments of persons who were directors of the Company during the year ended 31 December 2004, including pension contributions, was £Nil (2003: £Nil)

#### 3 Auditors' remuneration

The remuneration of the auditors is borne by a group undertaking (2003: £Nil).

#### 4 Staff costs

The total staff costs have been borne by a Deutsche Bank Group Company without recharge. No staff costs have therefore been included in these financial statements (2003: £Nil).

#### 5 Taxation on profit on ordinary activities

Current taxation	2004 £	2003 £
UK Corporation tax charge for the year	(2,038,277)	(1,726,150)
Double taxation relief	6,244	-
Adjustment in respect of prior periods	-	(3,837,966)
	<u>(2,032,033)</u>	<u>(5,564,116)</u>
Overseas taxation	(6,244)	-
Total current tax	<u>(2,038,277)</u>	<u>(5,564,116)</u>

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 30%. The actual tax charge for the current and the previous year differs from the standard rate for the reasons set out in the following reconciliation.

	2004 £	2003 £
Profit on ordinary activities before tax	<u>6,744,937</u>	<u>7,232,002</u>
Tax on profit on ordinary activities at standard rate (30%)	(2,023,482)	(2,169,601)
<i>Factors affecting charge for the year/ period:</i>		
Non-deductible expenditure	(14,795)	-
Adjustment in respect of partnership income	-	(424,668)
Utilisation of losses	-	868,119
Adjustment in respect of prior periods	-	(3,837,966)
Current tax charge for the year	<u>(2,038,277)</u>	<u>(5,564,116)</u>

**B.T.I. INVESTMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**at December 31, 2004 (continued)**

**6 Investments**

	<b>Subsidiary Undertakings £</b>	<b>Other Investments £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At beginning of the year	32,400	103,350	135,750
Additions	-	-	-
Disposals/repayments	-	-	-
Revaluation	(2,452)	-	(2,452)
At end of year	29,948	103,350	133,298
<b>Net book value</b>			
At 31 December, 2004	29,948	103,350	133,298
At 31 December, 2003	32,400	103,350	135,750

Details of the principal subsidiary undertakings of the Company are as follows:

<b>Name of company</b>	<b>Country of registration and operation</b>	<b>Proportion of voting rights and shares held</b>	<b>Nature of business</b>
Britannia Limited	England and Wales	100% of ordinary shares of 1p and deferred shares of £1	Holding company
Metis Properties Limited	England and Wales	100% of ordinary shares of £1	Property investment company
Novoquote Limited	England and Wales	100% of ordinary shares of £1	Property investment company

**7 Debtors**

	<b>2004 £</b>	<b>2003 £</b>
Due after one year:		
Amounts due from group undertakings	16,553,123	13,921,225
Corporation tax recoverable	14,447	6,122
	<u>16,567,570</u>	<u>13,927,347</u>

**B.T.I. INVESTMENTS****NOTES TO THE FINANCIAL STATEMENTS**  
**at December 31, 2004 (continued)**

<b>8 Cash at bank and in hand</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Cash held with bank	1,871,584	1,930,158
Cash held with group undertakings	146,958,160	140,339,538
	<u>148,829,744</u>	<u>142,269,696</u>

<b>9 Creditors: amounts falling due within one year</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Amounts due to parent undertakings	9,336,637	4,276,542
Group relief	1,155,073	1,721,557
	<u>10,491,710</u>	<u>5,998,099</u>

<b>10 Called up share capital</b>	<b>2004</b>	<b>2004</b>	<b>2003</b>	<b>2003</b>
	<b>No</b>	<b>£</b>	<b>No</b>	<b>£</b>
Authorised :				
Ordinary shares of £1 each	10,000	10,000	10,000	10,000
'B' class shares of £1 each	49,990,000	49,990,000	49,990,000	49,990,000
	<u>50,000,000</u>	<u>50,000,000</u>	<u>50,000,000</u>	<u>50,000,000</u>
Allotted, called up and fully paid:				
Ordinary shares of £1 each	6,235	6,235	6,235	6,235
'B' class shares of £1 each	49,152,008	49,152,008	49,152,008	49,152,008
	<u>49,158,243</u>	<u>49,158,243</u>	<u>49,158,243</u>	<u>49,158,243</u>

In the event of a return of capital each holder of 'B' shares shall be entitled in priority to any payment to the holders of any other class of shares, to receive out of the assets of the company available for distribution among the members an amount in respect of each 'B' share equal to the aggregate of the nominal value of such 'B' share and the premium (if any) paid on such 'B' share on issue but shall have no other right to share in such event in the assets of the company.

Except as set out above and subject to article 34 of the articles of association, which provides the directors with the authority to pay different dividends to the holders of different classes of shares as they think fit, the rights of the Ordinary share holders and 'B' share holders are the same.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**at December 31, 2004 (continued)**


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**11 Reconciliation of shareholders' funds and movements on reserves**

	Share capital £	Share premium £	Revaluation reserve £	Profit and loss account £	Total 2004 £	Total 2003 £
At January 1	49,158,243	7,921,234	32,300	93,222,917	150,334,694	148,666,808
Profit for the year	-	-	-	4,706,660	4,706,660	1,667,886
Revaluation	-	-	(2,452)	-	(2,452)	-
At December 31	<u>49,158,243</u>	<u>7,921,234</u>	<u>29,848</u>	<u>97,929,577</u>	<u>155,038,902</u>	<u>150,334,694</u>

**12 Ultimate parent company**

Bankers Trust Holdings (U.K.) Limited is, for the purposes of the Companies Act 1985, the parent undertaking of the smallest group of undertakings for which group financial statements are drawn up.

Deutsche Bank AG, a company incorporated in Germany, is the ultimate parent company, the ultimate controlling entity and the parent undertaking of the largest group of undertakings for which group financial statements are drawn up.

Copies of the financial statements prepared in respect of Bankers Trust Holdings (U.K.) Limited and Deutsche Bank AG may be obtained from the Company Secretary, Winchester House, 1 Great Winchester Street, London EC2N 2DB.

**13 Post balance sheet events**

On 31 October, 2005 the Company sold its 5% holding in Abraaj Capital Limited ("Abraaj") for the sum of \$176,135, having earlier in that year received a dividend from Abraaj in the amount of \$326,865.