

Prebon Marshall Yamane (UK) Limited

Report and Accounts

Year ended 31 March 2003

Registered Number: 1908771



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Chief Executive's Report

Against a backdrop of challenging market conditions, Prebon Marshall Yamane (UK) Limited (PMY) has had a highly successful year to March 2003, both in terms of core business growth and in positioning the Company for the future. Total revenue growth of 5.7% (from £83.7m to £88.5m) was negatively impacted by the significant downturn in Energy markets following the Enron collapse. Revenue excluding Energy was up by 14.1%, from £71.2m to £81.2m.

Following the year-end, I am pleased to see that our faith in continuing to provide liquidity to the Energy markets in the post Enron era has been vindicated with Energy revenues recovering strongly in the last few months.

Revenue growth excluding discontinued desks was over 12% year-on-year, with improvements in most business areas. This was combined with an improvement in marginal profit up by 4.5%.

Of particular note has been the good growth in NDFs, derivatives, and FX Forwards with year on year increases of 45%, 35%, and 14% respectively. Derivatives are now a major revenue contributor to our business. PMY continues to maintain a leading position in the majority of the markets in which it operates and ended the year with over 70% of revenue being generated in products where we are ranked either number one or two in the market.

PMY continues to remain one of the leading inter-dealer brokers in the marketplace. We are focused on growth, innovation and providing our clients with the best service. The marketplace for the most productive staff continues to be highly competitive and PMY's growth in certain areas is inevitably at the expense of our competitors. In this context, I am very pleased that the Company has been successful in retaining key staff and complementing our existing talent with strategic hires as necessary. We have achieved our staffing needs by carefully managing our cost to revenue ratio.

Operating profit for the year to March 2003, after inter group charges but before deducting expenditure of £3.2m relating to our IT systems and technology infrastructure was £2.6m. After deducting such expenditure the Company has reported a loss of £629,000. This expenditure has already started to deliver sustainable long-term benefits, not only in terms of improved customer service, but also in reducing the cost of IT and communications support, down by more than £400,000 year-on-year. I am confident that our commitment to IT development will yield further efficiencies, and enable the Company to continue the growth in revenue and product range, during 2004 and beyond.



A N Verrier
CEO Prebon Marshall Yamane (UK) Limited

Prebon Marshall Yamane (UK) Limited

Report and Accounts
Year ended 31 March 2003

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Prebon Marshall Yamane (UK) Limited

Report and Accounts
Year ended 31 March 2003

Directors

A M Hughes
P M Keenan
G R Mayhill
C D Reed
A N Verrier

Secretary

J M Dearlove

Registered Office

Hill House
Heron Square
Richmond
Surrey
TW9 1EP

Auditors

PricewaterhouseCoopers LLP
Southwark Towers
32 London Bridge Street
London SE1 9SY

Directors' Report

The directors present their report and the audited financial statements of the Company for the year ended 31 March 2003.

Principal Activities

The principal activity of the Company is that of a broker in the wholesale money, foreign exchange, securities and energy markets, providing services to banks, other financial institutions, local authorities and corporate clients. The majority of the business is transacted in the UK.

Business Review

During the financial year under review the Company's traditional markets have generally been favourable. However, the energy markets have been affected by the downturn following the collapse of Enron. Both have benefited from the group's ongoing investment in technology, which has enabled the Company to provide both voice and electronic broking facilities.

Likely Future Developments

It is expected that the activities and operation of the Company will continue as set out in the Business Review.

Results and dividends

The loss on ordinary activities after taxation for the year was £629,000 (2002: profit £1,583,000).

The directors do not recommend payment of a dividend (2002: £nil).

Employment policy

The Company gives full and fair consideration to applications for employment of disabled persons and gives those disabled persons in employment opportunities for training, career development and promotion consistent with their capabilities.

The Company consults with employees by means of regular meetings at manager level and above, and the opportunity for individuals directly to communicate with senior staff and directors is also available.

Directors' Responsibilities

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. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 March 2003 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that 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 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.

Directors' Report *continued*

Directors and their interests

The directors of the Company during the year were as follows:

A M Hughes
P M Keenan - appointed 3 September 2002
G R Mayhill
S D Plunkett
C D Reed - appointed 31 March 2003
A N Verrier
P D Wilson - resigned 31 March 2003

Mr S D Plunkett resigned as a director of the Company on 19 June 2003.

No director had any interest in the issued share capital of the Company.

A M Hughes and P M Keenan were also directors of the ultimate holding company, FPG Holdings Limited, and details of their interests in that company are disclosed in its financial statements.

There were no contracts of significance to which the Company, its fellow subsidiary undertakings or its holding company, was a party and in which a director had a material interest, whether directly or indirectly, as at the end of the year or at any time during the year.

Auditors

PricewaterhouseCoopers resigned on 24 February 2003 and the Company's shareholder appointed its successor, PricewaterhouseCoopers LLP, as the Company's auditors, with immediate effect.

The Company has elected pursuant to Section 386 of the Companies Act 1985 to dispense with the obligation to appoint auditors annually and PricewaterhouseCoopers LLP, having indicated their willingness to do so, will therefore continue in office as auditors.

By Order of the Board



J M Dearlove
Secretary

23 June 2003

**Independent auditors' report to the members of
Prebon Marshall Yamane (UK) Limited**

We have audited the financial statements, which comprise the profit and loss account, the balance sheet and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving our opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

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 judgments 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 March 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors



London
23 June 2003

Prebon Marshall Yamane (UK) Limited

Year ended 31 March 2003

| Profit And Loss Account | Note | Year ended | Year ended |
|---|-------------|----------------------|----------------------|
| | | 31 March 2003 | 31 March 2002 |
| | | £'000 | £'000 |
| Turnover | 3 | 88,581 | 83,785 |
| Administrative expenses | | <u>(88,959)</u> | <u>(82,020)</u> |
| Operating (loss)/profit | | (378) | 1,765 |
| Interest receivable | | <u>9</u> | <u>-</u> |
| (Loss) / profit on ordinary activities before taxation | 4 | (369) | 1,765 |
| Taxation | 7 | <u>(260)</u> | <u>(182)</u> |
| (Loss) / profit on ordinary activities after taxation | 14 | <u>(629)</u> | <u>1,583</u> |

There were no recognised gains or losses in the financial year other than those shown above.

The results above are in respect of continuing operations.

The notes on pages 8 to 15 form an integral part of these accounts.

Prebon Marshall Yamane (UK) Limited

As at 31 March 2003

| Balance Sheet | | 31 March 2003 £'000 | 31 March 2002 £'000 |
|--|-------------|------------------------------------|------------------------------------|
| | Note | | |
| Intangible assets | | | |
| Goodwill | 8 | 674 | - |
| Current assets | | | |
| Debtors | 9 | 16,062 | 16,072 |
| Cash at bank and in hand | | 814 | 522 |
| | | <u>16,876</u> | <u>16,594</u> |
| Creditors (amounts falling due within one year) | 10 | <u>(1,139)</u> | <u>(604)</u> |
| Net current assets | | <u>15,737</u> | <u>15,990</u> |
| Total assets less current assets | | 16,411 | 15,990 |
| Provision for liabilities and charges | 11 | <u>(50)</u> | <u>-</u> |
| Net assets | | <u>16,361</u> | <u>15,990</u> |
| Capital and reserves | | | |
| Called up share capital | 12 | 27,500 | 26,500 |
| Share premium account | 13 | 21 | 21 |
| Profit and loss account | 13 | <u>(11,160)</u> | <u>(10,531)</u> |
| Total shareholders' funds | 14 | <u>16,361</u> | <u>15,990</u> |

Approved by the board on 23 June 2003
and signed on their behalf by:



A N Verrier – Director

The notes on pages 8 to 15 form part of these financial statements

Notes to the Financial Statements

1 Accounting policies

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

Turnover

Turnover from money broking activities represents brokerage commission net of discounts and return brokerage. The Company follows market practice and takes credit for brokerage commission at the time the deal is negotiated.

Foreign currency

Transactions in foreign currencies are converted at exchange rates ruling at the transaction dates. Monetary assets and liabilities, denominated in foreign currencies at the balance sheet date are translated into sterling at the rates of exchange ruling at the year end. Exchange gains and losses are taken to the profit and loss account.

Goodwill

Purchased goodwill, being the difference between the purchase consideration and the fair value of net assets acquired, is amortised over the period during which the Directors expect the values of the underlying businesses acquired to exceed the value of the underlying assets, in accordance with FRS10, Goodwill and Intangible assets.

Deferred taxation

Deferred tax is recognised as an asset or a liability if transactions have occurred at the balance sheet date that give rise to a right to pay less taxation in the future or an obligation to pay more taxation in the future. An asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain. Deferred tax assets and liabilities which are recognised are not discounted.

Pensions

Contributions to the defined contribution pension schemes are charged against profits in the period in which they arise.

Contributions to the defined benefit scheme are charged against profits so as to spread the cost of pensions over employees' estimated working lives with the Company.

In November 2000, Financial Reporting Standard 17 'Retirement Benefits' was issued and will be fully implemented by the Company in 2005. The transitional disclosure requirements of this standard have been adopted in these financial statements. There is no impact on the reported figures.

Debt provisioning

Provisions are made to specific debts when it is considered that potential recovery of all or part of the debt is in doubt. An assessment of the recovery made is based upon ageing of the debt.

2 Cash flow statement and related parties

As the Company is a wholly owned subsidiary undertaking of a parent company registered in England and Wales which prepares a consolidated cash flow statement, it is not required to present a cash flow statement in these accounts as allowed under the provisions of FRS1 (Revised), Cash flow statements.

The Company has taken advantage of the exemption granted to wholly owned and controlled subsidiary undertakings by FRS8, Related Party Disclosures, not to disclose related party transactions with members of the Group or associates of other group members.

Notes to the Financial Statements continued

3 Segmental Reporting

All the Company's turnover and loss before taxation arose from money broking activities. The accounts do not include an analysis of turnover, loss before tax and net assets by geographical market as, in the directors' opinion, this would be seriously prejudicial to the commercial interests of the Company.

4 (Loss)/profit on ordinary activities before taxation

(Loss)/profit on ordinary activities before taxation is stated after charging:-

| | Year ended 31 March 2003 £'000 | Year ended 31 March 2002 £'000 |
|--------------------------|--------------------------------------|--------------------------------------|
| Amortisation of goodwill | 297 | - |
| Exchange loss/(gains) | 4 | (68) |
| Auditors remuneration | <u>50</u> | <u>50</u> |

A service charge is payable by the Company to a fellow group company, Prebon Administration Limited, for the year ended 31 March 2003 for operating expenses relating to the Company's business.

5 Staff Costs

The Company employs a number of staff who are seconded full-time to a fellow subsidiary undertaking. The analysis below excludes the costs and numbers of these employees.

| | Year ended 31 March 2003 £'000 | Year ended 31 March 2002 £'000 |
|-----------------------------|--------------------------------------|--------------------------------------|
| Wages and salaries | 50,493 | 48,386 |
| Social Security costs | 3,575 | 3,303 |
| Other pension costs | <u>7</u> | <u>178</u> |
| | <u>54,075</u> | <u>51,867</u> |
| | Number | Number |
| Average number of employees | <u>355</u> | <u>371</u> |

Notes to the Financial Statements continued

6 Directors Emoluments

| | Year ended 31 March 2003 | Year ended 31 March 2002 |
|---|-----------------------------|-----------------------------|
| Directors' remuneration in respect of services as directors was as follows: | | |
| | £'000 | £'000 |
| Emoluments, salary and bonuses | 1,128 | 1,246 |
| Pension contributions to money purchase schemes | 23 | 13 |
| | <u>1,151</u> | <u>1,259</u> |

Retirement benefits are accruing to two directors (2002: one director) under a money purchase scheme.

None of the directors held any options in the shares of the company.

| | | |
|---|-------|-------|
| | £'000 | £'000 |
| Highest paid director: | | |
| Emoluments, salary and bonuses | 716 | 483 |
| Pension contributions to money purchase schemes | 5 | - |

7 Taxation

| | Year ended 31 March 2003 | Year ended 31 March 2002 |
|---|-----------------------------|-----------------------------|
| | £'000 | £'000 |
| Current tax: | | |
| UK corporation tax on losses of the period | 581 | 182 |
| Adjustments in respect of previous periods | (371) | - |
| Total current tax | <u>210</u> | <u>182</u> |
| Deferred tax: | | |
| Origination of timing differences | <u>50</u> | <u>-</u> |
| Tax on (loss)/profit on ordinary activities | <u>260</u> | <u>182</u> |

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (30%). The differences are explained below:

| | Year ended 31 March 2003 | Year ended 31 March 2002 |
|--|-----------------------------|-----------------------------|
| | £'000 | £'000 |
| (Loss)/profit on ordinary activities before tax | (369) | 1,765 |
| (Loss)/profit on ordinary activities multiplied by standard rate in the UK | (110) | 530 |
| Effects of: | | |
| Deferred tax movement | (132) | (914) |
| Expenses not deductible for tax purposes | 823 | 566 |
| Adjustments in respect of previous periods | (371) | - |
| Current tax charge for the period | <u>210</u> | <u>182</u> |

Notes to the Financial Statements continued

8 Intangible assets

| | £'000 |
|--|-------|
| Cost | |
| Acquisition | 971 |
| At 31 March 2003 | 971 |
| Amortisation | |
| Charge for the year | 297 |
| At 31 March 2003 | 297 |
| Net book value at 31 March 2003 | 674 |
| Net book value at 31 March 2002 | - |

Intangible assets represent goodwill arising on acquisitions. During the year the Company purchased the East European Swaps desk of Cedef Assets Limited, creating goodwill of £971,000. This goodwill is being written off over three years.

9 Debtors

| | 31 March 2003 £'000 | 31 March 2002 £'000 |
|--|---------------------------|---------------------------|
| Trade debtors | 12,258 | 11,860 |
| Amounts due from fellow group undertakings | 3,637 | 4,212 |
| Prepayments and accrued income | 167 | - |
| | 16,062 | 16,072 |

10 Creditors (amounts falling due within one year)

| | 31 March 2003 £'000 | 31 March 2002 £'000 |
|---|---------------------------|---------------------------|
| Trade creditors | 150 | 604 |
| Amounts owed to fellow group undertakings | 989 | - |
| | 1,139 | 604 |

11 Provision for liabilities and charges

| | 31 March 2003 £'000 | 31 March 2002 £'000 |
|--|---------------------------|---------------------------|
| Provision for deferred tax | | |
| Timing difference in respect of pension prepayment | 50 | - |
| | 50 | - |
| Provision at start of period | - | - |
| Deferred tax charge in the profit and loss account for period (note 7) | 50 | - |
| Provision at end of period | 50 | - |

Notes to the Financial Statements continued

12 Called up share capital

| | 31 March 2003 £'000 | 31 March 2002 £'000 |
|--|---------------------------|---------------------------|
| Authorised: 300,000,000 (2002: 300,000,000) ordinary shares of 10p each | <u>30,000</u> | <u>30,000</u> |
| Issued and fully paid: 275,000,000 (2002: 265,000,000) ordinary shares of 10p each | <u>27,500</u> | <u>26,500</u> |

On 2 May 2002, an additional 10,000,000 ordinary shares of 10p each were allotted, issued and fully paid at par.

13 Reserves

| | £'000 Share premium account | £'000 Profit and loss account |
|----------------------|-----------------------------------|-------------------------------------|
| At 1 April 2002 | 21 | (10,531) |
| Deficit for the year | | <u>(629)</u> |
| At 31 March 2003 | <u>21</u> | <u>(11,160)</u> |

14 Reconciliation of movements in shareholders' funds

| | 31 March 2003 £'000 | 31 March 2002 £'000 |
|--|---------------------------|---------------------------|
| Opening Shareholders' funds | 15,990 | 14,407 |
| (Loss)/profit on ordinary activities after taxation | (629) | 1,583 |
| Shares issued in period | <u>1,000</u> | <u>-</u> |
| | 371 | 1,583 |
| Closing Shareholders' funds | <u>16,361</u> | <u>15,990</u> |

15 Pensions

The Company operates a funded pension scheme providing benefits based on final pensionable pay and a number of defined contribution pension schemes. The assets of all schemes are held separately from those of the Company.

Contributions to the defined contribution pension schemes are charged to the profit and loss account as they fall due. During the year contributions by the Company to the defined contribution schemes amounted to £155,474 (2002: £136,084).

Notes to the Financial Statements continued

15 Pensions (continued)

Contributions to the defined benefit scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' estimated working lives with the Company. The contributions are determined by a qualified actuary on the basis of regular actuarial valuations using the attained age method. The most recent formal valuation was as at 1 January 2001 and this valuation has also been used for SSAP 24 purposes. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions. It was assumed that the investment returns would be 7% per annum prior to retirement and 5% per annum after retirement, that salary increases would average 5% per annum and that pensions would increase at the rates required by legislation. In particular, Guaranteed Minimum Pension accrued after 5 April 1998 is assumed to increase at 3% per annum and pension accrued after 5 April 1997 is also assumed to increase at 3% per annum.

The most recent actuarial valuation of the defined benefit scheme showed that the market value of the scheme's assets was £4.4 million and that the actuarial value of those assets represented 105% of the benefits that had accrued to members, after allowing for expected future increases in Pensionable Salaries.

On a discontinuance valuation, the assets were sufficient at the date of the last formal valuation to cover discontinuance liabilities as measured by payments of cash equivalent transfer values.

The pension cost of the defined benefit scheme over the year to 31 March 2003 amounted to £12,555 (2002: £15,377). Contributions by the Company to the defined benefit scheme amounted to £19,019 (2002: £41,666). The excess of the contributions paid over the pension cost results in a prepayment of £167,206 as at 31 March 2003 (31 March 2002: £160,742). This prepayment has been recognised as an asset and included within debtors.

The additional disclosures required in respect of the defined benefit scheme under FRS 17 are set out below. The valuation of the scheme has been updated to 31 March 2003 by a qualified actuary.

The major assumptions used by the actuary were:

| | At 31 March 2003 | At 31 March 2002 |
|--|------------------|------------------|
| Rate of increase in salaries | 4% pa | 4.5% pa |
| Rate of increase of pensions in payment | | |
| Pre 88 GMP | Nil | Nil |
| Post 88 GMP | 2.75% pa | 3% pa |
| Pre 97 Excess | Nil | Nil |
| Post 97 | 2.75% pa | 3% pa |
| Rate of revaluation of deferred pensions | 2.75% pa | 3% pa |
| Discount rate | 5.5% pa | 6% pa |
| Inflation assumption | 2.75% pa | 3% pa |

Notes to the Financial Statements continued

15 Pensions (continued)

The assets in the scheme and the expected rate of return were:

| | Long-term rate of return expected at 31 March 2003 (per annum) | Value at 31 March 2003 £'000 | Long-term rate of return expected at 31 March 2002 (per annum) | Value at 31 March 2002 £'000 |
|-------------------------------------|--|---|--|--|
| Equities | 7% | 2,454 | 7.5% | 3,392 |
| Corporate and Overseas Bonds | 5.5% | 320 | 6% | 468 |
| Government Bonds | 4.5% | 370 | 6% | 298 |
| Other | 4% | 137 | 4% | 113 |
| Total market value of assets | | 3,281 | | 4,271 |
| Present value of scheme liabilities | | 5,933 | | 5,011 |
| (Liability) in the scheme | | (2,652) | | (740) |
| Related deferred tax liability | | Nil | | Nil |
| Net pension asset (liability) | | (2,652) | | (740) |

The current agreement as regards contribution rates is described in the Schedule of Contributions dated 22 August 2001. The agreed Company contribution rate is 14.3% of Pensionable Salaries per annum together with the expenses of running the Scheme and the costs of death-in-service benefits.

The effects of the FRS 17 pension liability on the net assets and reserves of the Company are as set out below:

| | At 31 March 2003 £'000 |
|--|---------------------------|
| Net Assets | |
| Net assets | 16,361 |
| Pensions liability under FRS 17 | (2,652) |
| Net assets including net pension liability under FRS 17 | 13,709 |
| Reserves | |
| Profit and loss reserve | (11,160) |
| Pension reserve under FRS 17 | (2,652) |
| Profit and loss reserve including net pension reserve under FRS 17 | (13,812) |

Notes to the Financial Statements continued

15 Pensions (continued)

The following amounts would have been recognised in the financial statements in the period ended 31 March 2003 under the requirements of FRS17:

| | Year ended 31 March 2003 £'000 |
|--|--------------------------------------|
| Components of pension cost for the period: | |
| Current service cost | 38 |
| Past service cost | - |
| Total charge to operating loss | 38 |
| Analysis of the amount credited to other finance income: | |
| Expected return on pension scheme assets | 303 |
| Interest on pension scheme liabilities | (300) |
| Net return | 3 |
| Analysis of amount recognised in the Statement of Total Recognised Gain and losses: | |
| Actual return less expected return on pension scheme assets | (1,250) |
| Experience gains and losses arising on the scheme liabilities | 44 |
| Changes in assumptions underlying the present value of the scheme liabilities | (702) |
| Actuarial gain/(loss) recognised in the STRGL | (1,908) |
| Movement in surplus/(deficit) during the year: | |
| (Deficit) at start of the year | (740) |
| Employer's current service cost | (38) |
| Employer's contributions | 31 |
| Other finance income | 3 |
| Actuarial gain/(loss) | (1,908) |
| Deficit at end of the year | (2,652) |

A history of experience gains and losses to 31 March 2003 is as follows:

| | |
|---|---------|
| Difference between the expected and actual return on scheme assets: | |
| Amount | (1,250) |
| Percentage of scheme assets | 38% |
| Experience gains on scheme liabilities: | |
| Amount | 44 |
| Percentage of the present value of scheme liabilities | 1% |
| Total amount recognised in the Statement of Total Recognised Gains and Losses: | |
| Amount | (1,908) |
| Percentage of the present value of scheme liabilities | 32% |

16 Related party transactions

The Company and Prebon Technology Group (formerly Kinetech Group) are under common ownership with some shared directors.

During the year Prebon Technology Group, a related party, provided IT and communications support services to the Company at a cost of £7,619,000 (2002: £8,026,000).

17 Ultimate holding company

At 31 March 2003 and throughout the year then ended, the ultimate holding company was FPG Holdings Limited ("FPGH"), a company registered in England and Wales. FPGH is the parent undertaking of the largest group of companies and Prebon Group Limited is the parent undertaking of the smallest group of companies for which group financial statements are drawn up and of which the Company is a member. Copies of these financial statements can be obtained from the Company Secretary, Prebon Group Limited, Hill House, Heron Square, Richmond, Surrey TW9 1EP.