

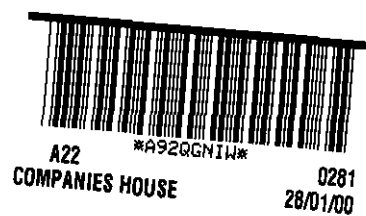
Company Registration No. 2112180

**BENTINCK FINANCE (UK) LIMITED**  
(formerly EDSACO FINANCE LIMITED)

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 1998**

**Registered Office**  
6 Babmaes Street  
London  
SW1Y 6HD



**BENTINCK FINANCE (UK) LIMITED**  
**(formerly EDSACO FINANCE LIMITED)**  
**DIRECTORS' REPORT**

---

The directors present their report and financial statements for the year ended 31 December 1998.

The company changed its name from Edsaco Finance Limited to Bentinck Finance (UK) Limited on 9th March 1998.

**Principal activities and review of the business**

The principal activity of the company continued to be that of the financing and provision of credit and guarantee facilities to individuals and companies.

**Results and dividends**

The results for the year are set out on page 4.

The directors do not recommend the payment of a final dividend (1997 - £1,536,351).

**Year 2000**

As is well known, many computer and digital storage systems express dates using only the last two digits of the year and will thus require modification or replacement to accommodate the year 2000 and beyond in order to avoid malfunctions and resulting widespread commercial disruption. This is a complex and pervasive issue. The operation of our business depends not only on our own computer systems, but also to some degree on those of our suppliers and customers. This could expose us to further risk in the event that there is a failure by other parties to remedy their own Year 2000 issues.

The directors have considered the potential risks to the company's activities arising from the date change to the Year 2000. Given the complexity of the problem, it is not possible for any organisation to guarantee that no Year 2000 problems will remain because at least some level of failure may still occur. However the Board believe that it has achieved an acceptable state of readiness and will continue to monitor the issues on a regular basis.

The company has not incurred significant costs during the consideration of this problem.

**Directors**

The following directors have held office since 1 January 1998:

M.W. Denton

B.A. Safa

C.G Malet De Carteret

R.S. Hodges

A. Sai

(Appointed 25 February 1998)

(Resigned 25 February 1998)

(Resigned 25 February 1998)

(Resigned 25 February 1998)

No director had a beneficial interest in the share capital of the company or any other company in the Group at any time during the year under review.

**Auditors**

Consequent upon the merger of Price Waterhouse and Coopers & Lybrand on 1 July 1998, Price Waterhouse resigned as auditors. The directors have appointed the successor firm, PricewaterhouseCoopers, to fill the casual vacancy created by this resignation. A resolution to re-appoint them will be proposed at the Annual General Meeting.

**BENTINCK FINANCE (UK) LIMITED**  
**(formerly EDSACO FINANCE LIMITED)**  
**DIRECTORS' REPORT**

---

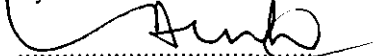
**Directors' responsibilities**

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 or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then 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 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 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.

By order of the board



**M.W. Denton (Director)**

Date : 21-1-2000

**AUDITORS' REPORT  
TO THE SHAREHOLDERS OF BENTINCK FINANCE (UK) LIMITED**

---

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

**Respective responsibilities of directors and auditors**

The Directors are responsible for preparing the Annual Report, as described on page 2 of the financial statements. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board and 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 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 apparent misstatements or material inconsistencies with the financial statements.

**Basis of 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 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*PricewaterhouseCoopers*

PricewaterhouseCoopers  
Manchester  
Chartered Accountants and  
Registered Auditors

*21 January 2000*

**BENTINCK FINANCE (UK) LIMITED**  
**(formerly EDSACO FINANCE LIMITED)**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**

	Notes	1998 £	1997 £
Turnover	2	2,072,262	2,229,376
Cost of sales	2	(1,847,602)	(1,865,581)
<b>Gross Profit</b>		<u>224,660</u>	<u>363,795</u>
Administrative expenses		(15,174)	(15,220)
<b>Profit on ordinary activities before taxation</b>	3	<u>209,486</u>	<u>348,575</u>
Tax on profit on ordinary activities	4	(64,941)	(109,827)
<b>Profit on ordinary activities after taxation</b>		<u>144,545</u>	<u>238,748</u>
Dividends	5	-	(1,536,351)
<b>Retained profit/(loss) for the year</b>	11	<u>144,545</u>	<u>(1,297,603)</u>
<b>Profit brought forward at 1 January 1998</b>		4,642	1,302,245
<b>Profit carried forward at 31 December 1998</b>		<u>149,187</u>	<u>4,642</u>

All of the company's activities are derived from continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

There is no difference between the profit on ordinary activities before taxation and the profit for the year stated above and their historical cost equivalents.

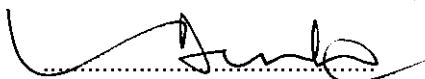
The notes on pages 6 to 9 form part of these financial statements.

**BENTINCK FINANCE (UK) LIMITED**  
**(formerly EDSACO FINANCE LIMITED)**  
**BALANCE SHEET**  
**AS AT 31 DECEMBER 1998**

	Notes	1998 £	£	1997 £	£
<b>Current assets</b>					
Debtors: amounts falling due within one year	6	12,740,558		13,218,487	
Debtors: amounts falling due after more than one year	6	10,605,340		13,650,503	
Investments	7	3,061,597		3,061,597	
Cash at bank and in hand		59,390		15,635	
		<u>26,466,885</u>		<u>29,946,222</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(14,608,973)</u>		<u>(15,218,672)</u>	
<b>Total assets less current liabilities</b>			11,857,912		14,727,550
<b>Creditors: amounts falling due after more than one year</b>	9		<u>(11,558,725)</u>		<u>(14,572,908)</u>
			<u>299,187</u>		<u>154,642</u>
<b>Capital and reserves</b>					
Called up share capital	10		150,000		150,000
Profit and loss account	11		149,187		4,642
<b>Equity shareholders' funds</b>	12		<u>299,187</u>		<u>154,642</u>

The notes on pages 6 to 9 form part of these financial statements.

The financial statements were approved by the Board on 21-1-2000

  
M.W. Denton (Director)

**BENTINCK FINANCE (UK) LIMITED  
(FORMERLY EDSACO FINANCE LIMITED)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 1998**

---

**1 Accounting policies**

**1.1 Accounting convention**

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

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from the requirement to produce a cashflow statement on the grounds that it qualifies as a small company under Section 248 of the Companies Act 1985.

**1.2 Investments**

Current asset investments are stated at the lower of cost and net realisable value.

**1.3 Foreign currency translation**

The company's accounting records are maintained in Pounds Sterling.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

**1.4 Deferred income**

Annual fees are billed in advance and time apportioned to the respective accounting periods. Fees billed but not yet earned are recorded as deferred income.

**1.5 Taxation**

Corporation tax is provided at current rates on the taxable profit for the year.

Deferred taxation is provided in respect of timing differences at the appropriate rate of taxation where there is a reasonable probability that such taxation will become payable in the foreseeable future.

**2 Turnover and Cost of Sales**

Turnover represents interest, facility fees and guarantee fees earned during the year.

The geographical origin of turnover is as follows:-

**Geographical market**

	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
United Kingdom	404,758	383,083
Rest of Europe	737,657	753,852
United States of America	802,005	938,148
Rest of the World	127,842	154,293
	<u>2,072,262</u>	<u>2,229,376</u>

Cost of sales represents interest payable to banks and totals £1,847,602 (1997 - £1,865,861)

**BENTINCK FINANCE (UK) LIMITED**  
**(FORMERLY EDSACO FINANCE LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**

<b>3</b>	<b>Profit on ordinary activities before taxation</b>	<b>1998</b>	<b>1997</b>
		<b>£</b>	<b>£</b>
	Profit on ordinary activities before taxation is stated after charging:		
	Auditors' remuneration	2,000	2,400
	Exchange (gains)/losses	1,453	(1,974)

<b>4</b>	<b>Taxation</b>	<b>1998</b>	<b>1997</b>
		<b>£</b>	<b>£</b>
	<b>Current year taxation</b>		
	U.K. corporation tax at 31% (1997 - 31.5%)	64,941	109,827
		64,941	109,827

<b>5</b>	<b>Dividends</b>	<b>1998</b>	<b>1997</b>
		<b>£</b>	<b>£</b>
	Ordinary paid	-	1,536,351

<b>6</b>	<b>Debtors</b>	<b>1998</b>	<b>1997</b>
		<b>£</b>	<b>£</b>
	<b>Amounts falling due within one year:</b>		
	Trade debtors - loans receivable	12,038,445	11,980,737
	Trade debtors - other	4,802	63,851
	Amounts owed by parent and fellow subsidiary undertakings	-	330,816
	Corporation tax recoverable	114,827	-
	Prepayments and accrued income	582,484	843,083
		12,740,558	13,218,487

**Amounts falling due after more than one year:**

		<b>1998</b>	<b>1997</b>
		<b>£</b>	<b>£</b>
	Trade debtors - loans receivable	10,605,340	13,650,503

Debtors falling due after more than one year are receivable between two and five years.

<b>7</b>	<b>Current asset investments</b>	<b>1998</b>	<b>1997</b>
		<b>£</b>	<b>£</b>
	Unlisted investments at cost	3,061,597	3,061,597

In the opinion of the directors, the market value of unlisted investments is not less than cost.



**BENTINCK FINANCE (UK) LIMITED  
(FORMERLY EDSACO FINANCE LIMITED)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 1998**

<b>8 Creditors: amounts falling due within one year</b>	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
Bank loans	11,929,551	11,869,351
Other loans	2,012,279	2,012,279
Bank overdraft	-	12
Amounts owed to parent and fellow subsidiary undertakings	218,078	-
Corporation tax	65,545	50,761
Accruals and deferred income	383,520	1,286,269
	<u>14,608,973</u>	<u>15,218,672</u>

<b>9 Creditors: amounts falling due after more than one year</b>	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
Bank loans	10,509,409	13,523,592
Other loans	1,049,316	1,049,316
	<u>11,558,725</u>	<u>14,572,908</u>

**Analysis of loans**

The maturity profile of the company's loans is as follows:

Due for repayment within one year or on demand	13,941,830	13,881,642
Due for repayment between one and two years	6,697,885	1,407,399
Due for repayment between two and five years	4,860,840	13,165,509
	<u>25,500,555</u>	<u>28,454,550</u>

Bank loans are repayable other than by instalments between two and five years at various rates of interest. Bank loans above and in creditors due within one year are secured by charges over the loans receivable disclosed in note 6.

**10 Share Capital**

The authorised share capital of the Company comprises 1,000,000 ordinary shares of £1 each, of which 150,000 have been issued and are fully paid up (1997 - 150,000).

**BENTINCK FINANCE (UK) LIMITED  
(FORMERLY EDSACO FINANCE LIMITED)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 1998**

**11 Statement of movements on profit and loss account**

	Profit and loss account £
Balance at 1 January 1998	4,642
Retained profit for the year	144,545
	<hr/>
Balance at 31 December 1998	149,187
	<hr/>

**12 Reconciliation of movements in shareholders' funds**

	1998 £	1997 £
Profit for the financial year	144,545	238,748
Dividends	-	(1,536,351)
	<hr/>	<hr/>
Net addition to/(depletion in) shareholders' funds	144,545	(1,297,603)
Opening shareholders' funds	154,642	1,452,245
	<hr/>	<hr/>
Closing shareholders' funds	299,187	154,642
	<hr/>	<hr/>

**13 Contingent liabilities**

There were no known contingent liabilities at the balance sheet date.

**14 Capital commitments**

There were no major capital commitments at the balance sheet date.

**15 Employees**

**Number of employees, wages and salaries**

There were no employees during the year apart from the directors. The directors received no remuneration during the year.

**16 Parent Companies**

Edsaco Participation Limited, a company registered in Jersey, is the immediate parent company. The ultimate parent company is Intertrust Group NV, a company registered in the Netherlands Antilles. The consolidated financial statements of Intertrust Group NV may be obtained from Landhuis Joonchi, Kaya Richard J. Beaujon, Curacao, Netherlands Antilles.

**17 Related party transactions**

The company has taken advantage of the exemption under FRS 8 from the requirement to make disclosures concerning related party transactions with other group companies.

**BENTINCK FINANCE (UK) LIMITED**  
**(formerly EDSACO FINANCE LIMITED)**  
**DETAILED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**

	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	2,072,262	2,229,376
<b>Cost of sales</b>	(1,847,602)	(1,865,581)
<b>Gross profit</b>	<u>224,660</u>	<u>363,795</u>
<b>Administrative Expenses</b>		
Investments written off	-	10,000
Audit fees	2,000	2,400
Bank Charges	2,614	2,811
Bad Debts	10,552	-
Other Administration Fees	8	9
	<u>(15,174)</u>	<u>(15,220)</u>
<b>Profit on ordinary activities before taxation</b>	<u><u>209,486</u></u>	<u><u>348,575</u></u>

This page is supplementary to and does not form part of the statutory financial statements.