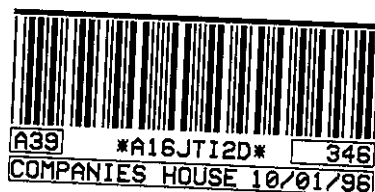


COLUMBUS ASSET MANAGEMENT LIMITED

Financial Statements  
31 March 1995



**DIRECTORS AND OFFICERS**

**COLUMBUS ASSET MANAGEMENT LIMITED**

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**DIRECTORS**

H T W Janson (Chairman)  
M W Delmar-Morgan  
R C F Randall  
H Rieppel

**SECRETARY**

H Fleming

**REGISTERED OFFICE**

21-22 Hans Place  
London SW1X 0EP

**BANKERS**

Barclays Bank plc  
170 Lombard Street  
London  
EC3P 3HP

**AUDITORS**

Moore Stephens  
Chartered Accountants  
St Paul's House  
Warwick Lane  
London  
EC4P 4BN

The Directors present their report and accounts for the year ended 31 March 1995.

## RESULTS AND DIVIDENDS

The loss for the year after taxation amounted to £63,364.

The Directors do not recommend the payment of a dividend.

## REVIEW OF THE BUSINESS

The Company's principal activity is that of discretionary investment and collective investment scheme fund managers. The Directors are of the opinion that the loss for the year arose primarily from non recurrent costs totalling some £56,000. The bulk of this represents marketing costs incurred in completing the launch of the third Collective Investment Scheme. They are confident of a return to profitability in the current year as the base of the Collective Investment Schemes has created a solid foundation for the future growth of Funds under Management.

## FIXED ASSETS

During the year, the company purchased computer equipment. Details of this movement in fixed assets are set out in note 7 to the accounts.

## DIRECTORS AND THEIR INTERESTS

The Directors during the year were as follows:

	<u>At 31 March 1995</u>	<u>At 1 April 1994</u>
H T W Janson	-	-
M W Delmar-Morgan	-	-
R C F Randall	-	-
H Rieppel (German)	-	-

The interests of the Directors in the shares of the ultimate Holding Company, if any, are shown in that company's accounts.

## CLOSE COMPANY

The Company is a close Company within the provisions of the Income and Corporation Taxes Act, 1988.

## AUDITORS

Moore Stephens are willing to continue in office, a resolution to reappoint them as auditors will be put to the Members at the Annual General Meeting

BY ORDER OF THE BOARD

  
H FLEMING  
SECRETARY

**COLUMBUS ASSET MANAGEMENT LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the financial year. The directors consider that in preparing the financial statements the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgement and estimates and confirm that all applicable accounting standards have been followed. The financial statements have been prepared on a going concern basis.

The directors have responsibility for ensuring that the company keeps 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. The directors also have responsibility for safeguarding the assets of the company and for the prevention and detection of fraud and other irregularities.

**REPORT OF THE AUDITORS  
TO THE MEMBERS OF  
COLUMBUS ASSET MANAGEMENT LIMITED**

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

**Respective Responsibilities of Directors and Auditors**

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**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 affairs of the company as at 31 March 1995 and of the loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

St. Paul's House  
Warwick Lane  
London EC4P 4BN



MOORE STEPHENS

Chartered Accountants  
Registered Auditors

31 JUL 1995

# COLUMBUS ASSET MANAGEMENT LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1995

	Note	1995	1994
<b>TURNOVER</b>	2	396,028	430,622
Cost of sales		77,149	48,396
		<hr/>	<hr/>
<b>GROSS PROFIT</b>		318,879	382,226
Administrative expenses		387,527	326,183
		<hr/>	<hr/>
<b>OPERATING (LOSS)/ PROFIT</b>	3	(68,648)	56,043
Interest receivable	4	5,284	4,274
		<hr/>	<hr/>
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(63,364)	60,317
<b>TAXATION</b>	6	-	1,069
		<hr/>	<hr/>
<b>(LOSS)/PROFIT FOR FINANCIAL YEAR</b>	11	£(63,364)	£ 59,248
		<hr/>	<hr/>

There were no other recognised gains or losses during the year apart from those reported above

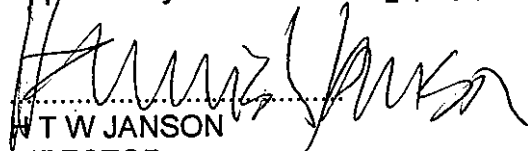
The notes on pages 8 to 12 form part of these accounts.

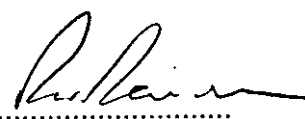
**COLUMBUS ASSET MANAGEMENT LIMITED**

**BALANCE SHEET AT 31 MARCH 1995**

	Note	1995	1994
<b>FIXED ASSETS</b>			
Tangible assets	7	1,448	3,079
		<hr/>	<hr/>
<b>CURRENT ASSETS</b>			
Debtors	8	88,933	127,779
Cash at bank and in hand		49,402	56,324
		<hr/>	<hr/>
		138,335	184,103
<b>CURRENT LIABILITIES</b>			
Creditors: amounts falling due within one year	9	41,119	64,154
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		97,216	119,949
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		£ 98,664	£ 123,028
		<hr/>	<hr/>
Creditors: amounts falling due after one year amount owed to parent company		39,000	-
		<hr/>	<hr/>
<b>EQUITY CAPITAL AND RESERVES</b>			
Called-Up Share Capital	10	115,000	115,000
Profit and Loss Account	11	(55,336)	8,028
		<hr/>	<hr/>
		59,664	123,028
		<hr/>	<hr/>
		<u>£98,664</u>	<u>£123,028</u>

Approved by the Board on 27 JUL 1995

  
 .....  
 W T W JANSON  
 DIRECTOR

  
 .....  
 R C F RANDALL  
 DIRECTOR

The notes on pages 8 to 12 form part of these accounts.

**COLUMBUS ASSET MANAGEMENT LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 1995**

	Note	1995	1994
		£	£
<b>NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES</b>	15	(43,374)	1,590
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest received	5,284	4,274	
Interest paid	(6,727)	(4,408)	
		<hr/>	<hr/>
Net cash (outflow) from returns on investments and servicing of finance		(1,443)	(134)
<b>INVESTING ACTIVITIES</b>			
Purchase of tangible fixed assets	(1,105)	(1,377)	
		<hr/>	<hr/>
Net cash (outflow) from investing activities		(1,105)	(1,377)
<b>FINANCING ACTIVITIES</b>			
Parent Company loan	39,000	-	-
Issue of shares	-	10,000	
		<hr/>	<hr/>
<b>(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		<hr/>	<hr/>
		£ (6,922)	£ 10,079



# COLUMBUS ASSET MANAGEMENT LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1995

### 1. ACCOUNTING POLICIES

#### (a) Accounting Convention

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

#### (b) Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value of each asset over its expected economic useful life, as follows:-

Computer equipment - over three years.

### 2. TURNOVER

Turnover represents investment management and corporate fees and commissions (stated net of Value Added Tax). Turnover amounting to £217,830 arises from countries outside the United Kingdom.

### 3. OPERATING PROFIT

1995

1994

This is stated after charging:-

India Fund Exceptional Marketing costs	50,968	-
Directors' emoluments	63,143	72,155
Auditors remuneration	5,550	3,500
Depreciation	2,736	1,503
Bank interest and charges	6,727	4,408
	<hr/>	<hr/>

### 4. INTEREST RECEIVABLE

On money held on deposit	£	5,284	£ 4,274
		<hr/>	<hr/>

### 5. EMPLOYEES

Wages and salaries	113,451	119,435
Social security costs	11,587	11,953
	<hr/>	<hr/>

£ 125,038      £ 131,388

No      No

The average number of persons, including Directors, employed in an administrative capacity during the year was

7      7

# COLUMBUS ASSET MANAGEMENT LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1995 (continued)

### 5. EMPLOYEES (continued)

The emoluments of the Chairman were Nil (1994: nil) and the highest paid Director, excluding pension contributions, were £50,000 (1994 £64,955)

The number of other Directors whose aggregate emoluments, excluding pension contributions, fell within the following band were:-

	No	No
Nil - £5,000	1	-
£5,001 - £10,000	1	1
	<hr/>	<hr/>

### 6. TAXATION

United Kingdom corporation tax based on the profit for the year, as adjusted for taxation purposes at 25%

£	-	£1,069
	<hr/>	<hr/>

### 7. TANGIBLE FIXED ASSETS

	Computer Equipment
Cost:	
At 1 April 1994	5,428
Additions	1,105
	<hr/>
At 31 March 1995	6,533
	<hr/>
Depreciation:	
At 1 April 1994	2,349
Charge for year	2,736
	<hr/>
At 31 March 1995	<u>5,085</u>
Net book value:	
At 31 March 1995	£1,448
	<hr/>
At 31 March 1994	<u>£3,079</u>

# COLUMBUS ASSET MANAGEMENT LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1995 (continued)

8. DEBTORS	1995	1994
Trade debtors	7,156	38,602
Other debtors	23,055	22,121
Prepayments and accrued income	58,722	67,056
	<hr/>	<hr/>
	£ 88,933	£ 127,779
	<hr/>	<hr/>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	1995	1994
Trade creditors	1,729	14,322
Corporation tax	-	1,069
Amounts owed to group companies	-	109
Other creditors	11,126	4,090
Other tax and social security payable	9,067	17,792
Accruals	19,197	26,772
	<hr/>	<hr/>
	£ 41,119	£ 64,154
	<hr/>	<hr/>

10. EQUITY SHARE CAPITAL	1995	1994
Authorised:		
Ordinary Shares of £1 each	£ 140,000	£ 140,000
	<hr/>	<hr/>
Issued and Fully Paid:		
Ordinary Shares of £1 each	£ 115,000	£ 115,000
	<hr/>	<hr/>

During the year loans totalling £39,000 were provided by the parent company to provide for additional working capital for the company. Interest is payable at an annual rate of LIBOR plus 3% in respect of a loan of £19,000.

### Continuing Financial Support

The parent company has given an undertaking not to require repayment of loans totalling £39,000 until the company's financial resources permit, and will seek to procure additional working capital if this becomes necessary.

The movement in shareholder funds during the year is represented by:

	1995	1994
Opening shareholders funds	123,028	63,780
(Loss)/Profit for year	(63,364)	59,248
Closing Shareholder Funds	59,664	123,028

# COLUMBUS ASSET MANAGEMENT LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1995 (continued)

11. PROFIT AND LOSS ACCOUNT	1995	1994
At 1 April 1994	8,028	(51,220)
(Loss)/Profit for financial year	(63,364)	59,248
	<hr/>	<hr/>
At 31 March 1995	£(55,336)	£ 8,028
	<hr/>	<hr/>
12. LEASE OBLIGATIONS		
The company leases offices at an annual rental of £23,579 and is due for review in 1996.		
13. TRANSACTIONS WITH DIRECTORS		
The company manages, on a normal commercial basis, certain investment funds of directors and their families.		
14. ULTIMATE HOLDING COMPANY		
At the year end the company was a wholly owned subsidiary of Columbus Financial Services Limited, registered in England. The group accounts are available to the public and may be obtained from 21-22 Hans Place, London SW1X 0EP		
15. RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES		
	1995	1994
Operating (loss)/profit	(68,648)	56,043
Interest payable	6,727	4,408
Depreciation charges	2,736	1,503
Decrease/(Increase) in debtors	38,846	(75,940)
(Decrease)/Increase in creditors	(23,035)	15,576
	<hr/>	<hr/>
Net cash (outflow)/inflow from operating activities	(43,374)	1,590
	<hr/>	<hr/>
16. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR	1995	1994
Balance at 1st April 1994	56,324	46,245
Net cash (outflow)/inflow	(6,922)	10,079
	<hr/>	<hr/>
Balance at 31st March 1995	49,402	56,324
	<hr/>	<hr/>

**COLUMBUS ASSET MANAGEMENT LIMITED**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 1995  
(continued)**

**17. FUNDS UNDER MANAGEMENT**

The Company has at 31st March 1995 £16,484,354 of funds under management at market value.

As at 31st March 1995 the company held bank accounts in respect of client funds with Barclays Bank plc and Bank of Bermuda (Isle of Man) Ltd as follows:

	1995	1994
Business Premium Account	445,941	10,605
Client Settlement Account	-	928
Client Income Account	4,048	-
Client Deposit Accounts	600,000	960,908
	<hr/>	<hr/>
	£ 1,049,989	£ 972,441
	<hr/>	<hr/>