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REGISTERED NUMBER: 2528798 (England and Wales)

Report of the Directors and
Financial Statements for the Year Ended 31 March 2003
for
Bulldog Securities Ltd



Bulldog Securities Ltd

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for the Year Ended 31 March 2003

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Bulldog Securities Ltd

Company Information
for the Year Ended 31 March 2003

DIRECTORS:

R Q Hoare
M R Riley
Sir Andrew Cunynghame Bt.

SECRETARY:

Sir Andrew Cunynghame Bt.

REGISTERED OFFICE:

37 Fleet Street
London
EC4P 4DQ

REGISTERED NUMBER:

2528798 (England and Wales)

AUDITORS:

Roberts & Co
Chartered Accountants
Registered Auditors
136 Kensington Church Street
London
W8 4BH

Bulldog Securities Ltd

Report of the Directors
for the Year Ended 31 March 2003

The directors present their report with the financial statements of the company for the year ended 31 March 2003.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of investment dealers.

DIRECTORS

The directors during the year under review were:

R Q Hoare
M R Riley
Sir Andrew Cunynghame Bt.

The directors holding office at 31 March 2003 did not hold any beneficial interest in the issued share capital of the company at 1 April 2002 or 31 March 2003.

STATEMENT OF 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.

AUDITORS

The auditors, Roberts & Co, will be proposed for re-appointment in accordance with Section 385A of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



.....
Sir Andrew Cunynghame Bt. - SECRETARY

Dated: 18th September 2003

Bulldog Securities Ltd

**Report of the Independent Auditors to the Shareholders of
Bulldog Securities Ltd**

We have audited the financial statements of Bulldog Securities Ltd for the year ended 31 March 2003 on pages four to eight. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

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 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 described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 Report of the Directors 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.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

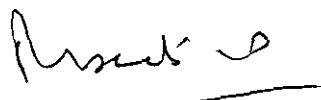
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 March 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Roberts & Co
Chartered Accountants
Registered Auditors
136 Kensington Church Street
London
W8 4BH

Dated: 17 September 2003

Bulldog Securities Ltd**Profit and Loss Account
for the Year Ended 31 March 2003**

	Notes	2003		2002	
		£	£	£	£
TURNOVER			552,260		406,521
Cost of sales			632,603		436,608
GROSS LOSS			(80,343)		(30,087)
Administrative expenses			784		849
OPERATING LOSS	2		(81,127)		(30,936)
Income from investments		29,021		11,706	
Interest receivable and similar income		19,550		3	
			48,571		11,709
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION			(32,556)		(19,227)
Tax on loss on ordinary activities	3		1		(3,846)
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION			(32,557)		(15,381)
Retained profit brought forward			432,383		447,764
RETAINED PROFIT CARRIED FORWARD			£399,826		£432,383

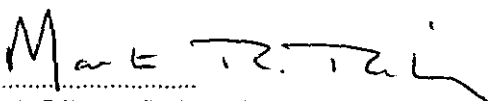
The notes form part of these financial statements

Bulldog Securities Ltd**Balance Sheet**
31 March 2003

		2003	2002
	Notes	£	£
CURRENT ASSETS:			
Debtors	4	180,000	3,846
Investments	5	633,204	1,047,883
Cash at bank		17,950	61,923
		<u>831,154</u>	<u>1,113,652</u>
CREDITORS: Amounts falling due within one year	6	431,326	681,267
		<u>399,828</u>	<u>432,385</u>
NET CURRENT ASSETS:			
TOTAL ASSETS LESS CURRENT LIABILITIES:		<u>£399,828</u>	<u>£432,385</u>
CAPITAL AND RESERVES:			
Called up share capital	8	2	2
Profit and loss account		399,826	432,383
		<u>£399,828</u>	<u>£432,385</u>
SHAREHOLDERS' FUNDS:			

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:


.....

M R Riley - DIRECTOR

Approved by the Board on 18th September 2003

Bulldog Securities Ltd

Notes to the Financial Statements **for the Year Ended 31 March 2003**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover represents net proceeds arising from the sale of investments.

Deferred taxation

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However deferred tax assets are recognised only to the extent that the directors consider that it is 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 taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. OPERATING LOSS

The operating loss is stated after charging:

	2003 £	2002 £
Auditors' remuneration	764	705
	<u> </u>	<u> </u>
Directors' emoluments and other benefits etc	-	-
	<u> </u>	<u> </u>

3. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the loss on ordinary activities for the year was as follows:

	2003 £	2002 £
Current tax:		
UK corporation tax	1	(3,846)
	<u> </u>	<u> </u>
Tax on loss on ordinary activities	1	(3,846)
	<u> </u>	<u> </u>

Bulldog Securities Ltd**Notes to the Financial Statements**
for the Year Ended 31 March 2003**3. TAXATION - continued****Factors affecting the tax charge/(credit)**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2003 £	2002 £
Loss on ordinary activities before tax	<u>(32,556)</u>	<u>(19,227)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 0% (2002 - 0%)	-	-
Effects of: Adjustment in respect of prior years	<u>1</u>	<u>(3,846)</u>
Current tax charge/(credit)	<u>1</u>	<u>(3,846)</u>

**4. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2003 £	2002 £
Sundry debtors	-	3,846
Due from Related Undertaking	<u>180,000</u>	<u>-</u>
	<u>180,000</u>	<u>3,846</u>

5. CURRENT ASSET INVESTMENTS

	2003 £	2002 £
Listed investments	<u>633,204</u>	<u>1,047,883</u>
Market value of listed investments at 31 March 2003 - £661,727 (2002 - £1,195,079).		

**6. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2003 £	2002 £
Due to Parent Undertaking	430,562	680,562
Accrued expenses	<u>764</u>	<u>705</u>
	<u>431,326</u>	<u>681,267</u>

7. SECURED DEBTS

The company's bankers hold a memorandum of deposit covering any liability, whether actual or contingent, charged on all stock exchange securities held by them on behalf of the company and hold unlimited guarantees by the holding company and a fellow subsidiary.

Bulldog Securities Ltd

Notes to the Financial Statements
for the Year Ended 31 March 2003

8. CALLED UP SHARE CAPITAL

Authorised:		Nominal value:	2003	2002
Number:	Class:		£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

Allotted, issued and fully paid:		Nominal value:	2003	2002
Number:	Class:		£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

9. ULTIMATE PARENT COMPANY

The company's ultimate holding company is Bulldog Holdings Ltd., a company incorporated in England and Wales.