

ENGLISH TRUST GROUP LIMITED
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2005



English Trust Group Limited

Company Information

Director

J H J Allen

Secretary

L C J Thomas

Auditors

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

Solicitors

Herbert Smith
Exchange House
Primrose Street
London EC2A 2HS

Registered Office

131 Finsbury Pavement
London
EC2A 1NT

Registered Number

2600378

English Trust Group Limited

Director's Report

The director presents his annual report and the audited financial statements for the year ended 31 December 2005.

Principal Activities and Review of the Business

The Company did not trade during the period. The Companies sole activity was the earning of interest on its intercompany balances with related Insinger entities.

The current period contains a material prior period tax adjustment of £122,098. The prior period tax adjustment relates to group relief received from a former Insinger subsidiary, Bank Insinger de Beaufort Plc.

The directors do not anticipate any change in the nature of activities undertaken by the Company in the foreseeable future.

Results and Dividends

The Company's profit for the year is £127,977 (2004:£27) as set out on page 6. This result is stated after recognising a tax credit received for the twelve months to December 2003. The tax credit arose due to a partial waiver of an intercompany balance with Insinger de Beaufort (UK) Limited.

The director does not recommend the payment of a dividend (2004: £nil).

Directors and their Interests

The director had no beneficial interests in the shares of the Company or any other group company at any time during the year.

Auditors

The auditors Deloitte & Touche LLP resigned their office as auditors on the 30 Aug 2005 and a resolution to appoint PricewaterhouseCoopers LLP was proposed at the AGM. PricewaterhouseCoopers LLP were appointed as auditors on the 30 Aug 2005.

Approved and signed by the director



Director
29 March 2006

Statement of the Director's Responsibilities

United Kingdom company law requires the director to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for that period. In preparing those financial statements, the director is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is also responsible for the system of internal control, for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors' Report to the Members

We have audited the financial statements of English Trust Group Limited for the year ended 31 December 2005 which comprise the profit and loss account, the balance sheet and the related notes 1 to 10. These financial statements have been prepared under the accounting policies set out therein.

Respective Responsibilities of the Director and Auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). 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 this 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 other transactions is not disclosed.

We read the Directors' Report 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 International Standards on Auditing (UK and Ireland) 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.

English Trust Group Limited

Independent Auditors' Report to the Members (continued)

Basis of Audit Opinion (continued)

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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its profit 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
29 March 2006

English Trust Group Limited

Profit and Loss Account

For the year ended 31 December 2005

	Notes	2005 £	2004 £
Interest receivable and similar income	3	8,398	38
Profit on ordinary activities before taxation		8,398	38
Tax on profit/(loss) on ordinary activities	4	119,579	(11)
Profit on ordinary activities after taxation and retained profit for the year		127,977	27

There were no recognised gains or losses or other movements in shareholders' funds other than the profit for the current and the preceding year.

The above results all relate to discontinued activities.

English Trust Group Limited

Balance Sheet

as at 31 December 2005

	Notes	2005 £	2004 £
Current Assets			
Debtors: amounts falling due within one year	5	6,707	-
Amounts due from parent company		152,915	144,563
Cash at bank and in hand		118,701	2,718
		<u>278,323</u>	<u>147,281</u>
Creditors: amounts falling due within one year	6	(5,967)	(2,902)
Net Assets		<u>272,356</u>	<u>144,379</u>
Capital and Reserves			
Called up Share Capital	7	1,205,000	1,205,000
Share premium account	8	51,286	51,286
Capital redemption reserve	8	160,692	160,692
Other reserve	8	600,000	600,000
Profit and Loss account	8	(1,744,622)	(1,872,599)
Equity Shareholders' Funds	8	<u>272,356</u>	<u>144,379</u>

The financial statements were approved by the sole director on 29 March 2006.

Signed by the sole director



J H J Allen

Director

29 March 2006

Notes to the Financial Statements

Year ended 31 December 2005

1. Accounting Policies

(a) *Accounting convention*

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards.

(b) *Deferred taxation*

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements.

(c) *Cash Flow Statement*

The Company has taken advantage of the exemption in FRS I (revised) and accordingly has not produced a cash flow statement.

(d) *Foreign currencies*

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. The resulting profits or losses are taken to the profit and loss account.

2. Auditors' Remuneration

Auditors' remuneration has been borne by another group company in both the current and prior year.

3. Interest Receivable and Similar Income

	2005 £	2004 £
Interest receivable from fellow group undertaking	<u>8,398</u>	<u>38</u>

English Trust Group Limited

Notes to the Financial Statements

Year ended 31 December 2005

4. Tax on Profit/(Loss) On Ordinary Activities

	2005 £	2004 £
Group relief/Tax charge for the year	<u>119,579</u>	<u>(11)</u>

The tax assessed for the period is higher than that resulting from applying the standard rate of corporation tax in the UK : 30% (2004: 30%). The differences are explained below:

Profit/(Loss) on ordinary activities before taxation:	<u>8,398</u>	<u>38</u>
Tax at 30% thereon:	(2,519)	(11)
Effects of: Prior period adjustments	122,098	-
Tax charge for the year	<u>119,579</u>	<u>(11)</u>

A deferred tax asset has not been recognised in respect of short term timing differences as recovery is contingent upon future levels of profitability. The amount of the asset not recognised is £1,313 (2004 £1,313).

5. Debtors: amounts falling due within one year

	2005 £	2004 £
Sundry debtors	<u>6,707</u>	<u>-</u>

6. Creditors: amounts falling due within one year

	2005 £	2004 £
Accruals and deferred income	<u>5,967</u>	<u>2,902</u>

Notes to the Financial Statements

Year ended 31 December 2005

7. Called Up Share Capital

	2005 £	2004 £
Authorised		
2,000,000 Ordinary shares of £1 each	<u>2,000,000</u>	<u>2,000,000</u>
Allotted, called up and fully paid		
1,205,000 Ordinary shares of £1 each	<u>1,205,000</u>	<u>1,205,000</u>

8. Reconciliation of Shareholders' Funds and Movements on Reserves

	Called up Share Capital £	Share premium £	Capital redemption reserve £	Other reserve £	Profit and Loss Account £	Total £
At 1 January 2005	1,205,000	51,286	160,692	600,000	(1,872,599)	144,379
Retained Profit for the year	-	-	-	-	127,977	127,977
At 31 December 2005	<u>1,205,000</u>	<u>51,286</u>	<u>160,692</u>	<u>600,000</u>	<u>(1,744,622)</u>	<u>272,356</u>

9. Related Party Transactions

The Company has taken advantage of the exemption in Paragraph 3c of FRS8 from disclosing transactions with related parties.

10. Ultimate Parent Company

Insinger de Beaufort (UK) Limited is the Company's immediate parent company. Insinger de Beaufort Holdings S.A., a company incorporated in Luxembourg and listed on the Luxembourg Stock Exchange, is regarded by the director as the Company's ultimate parent company.

The parent company of the largest and smallest group of which the Company is a member and which has included the Company in group accounts is Insinger de Beaufort Holdings S.A. Copies of Insinger de Beaufort Holdings S.A.'s accounts may be obtained from the registered office at: 64-66 Avenue Victor Hugo, L1750 Luxembourg.