

**Prebon Investments Limited**  
**Report & Accounts**  
**31 March 2000**  
**Registered Number: 2627770**



**Prebon Investments Limited**

Report & Accounts  
Year ended 31 March 2000

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**Directors**

A M Hughes  
P M Keenan  
G R Mayhill  
K M Taylor

**Secretary**

JM Dearlove

**Registered Office**

2<sup>nd</sup> Floor  
155 Bishopsgate  
London EC2N 3DA

**Auditors**

PricewaterhouseCoopers  
Southwark Towers  
32 London Bridge Street  
London SE1 9SY

The directors have pleasure in submitting their report and accounts of the Company for the year ended 31 March 2000.

**Business review**

The principal activity of the Company is that of an intermediate holding company.

On 15 February 1999, the Company's ultimate parent company, FPG Holdings Limited entered into an agreement with Marshalls Finance Limited ("MFL") whereby MFL would acquire Fulton Prebon Group Limited and its subsidiaries, including the Company. The acquisition agreement was completed on 28 May 1999 and with effect from that date MFL was re-named Prebon Group Limited (see Note 8).

**Results and dividends**

The profit on ordinary activities after taxation for the year was £55 (18 months ended 31 March 1999: loss £5,642). The profit for the year of £55 (18 months ended 31 March 1999: deficit £5,642) has been transferred to/(from) reserves.

The directors do not recommend payment of a dividend (1999: £nil).

**Year 2000**

The directors are satisfied that no significant Year 2000 related problems have arisen prior to, on or after 1 January 2000, which will affect the activities of the Company. However, the situation continues to be monitored.

**Directors' and officers' liability**

The Company has taken out liability insurance as permitted by Section 310(3) of the Companies Act 1985 to cover directors and officers.

**Responsibilities of the directors**

It is the responsibility of 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 as at the end of the financial year and of the profit or loss for that year. The directors are responsible for ensuring that applicable accounting standards have been followed, and that suitable accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, have been used in the preparation of the financial statements. It is also the responsibility of the directors to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business and to ensure those financial statements comply with the Companies Act 1985. The directors are also responsible for maintaining adequate accounting records, which disclose with reasonable accuracy at any time the financial position of the Company, for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities.

**Directors and their interests**

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

S A Collis  
A M Hughes  
P M Keenan  
G R Mayhill

Kim Taylor was appointed as a director on 27 July 2001.

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

Messrs A M Hughes and P M Keenan are directors of the ultimate holding company and details of their interests in that company are disclosed in its financial statements.

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, subsisted at the end of the year or at any time during the year.

**Auditors**

The Company has elected pursuant to Section 386 of the Companies Act 1985 to dispense with the obligation to appoint auditors annually and PricewaterhouseCoopers have indicated their willingness to continue in office as auditors.

By Order of the Board



JM Dearlove  
*Secretary*

18 January 2002

*Registered Office:*  
2<sup>nd</sup> Floor  
155 Bishopsgate  
London  
EC2N 3DA

*Registered number*  
2627770

**Auditors' Report to the Members of Prebon Investments Limited**

We have audited the financial statements on pages 6 to 10.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the Annual Report. As described on page 3, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom 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 United Kingdom Companies Act. We also report to you if, in our opinion, the director's 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 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 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers  
*Chartered Accountants  
and Registered Auditors*  
Southwark Towers  
32 London Bridge Street  
London SE1 9SY

**18** January 2002

**Prebon Investments Limited**  
**Profit and Loss Account**  
**Year ended 31 March 2000**

	<b>Note</b>	<b>12 months to 31 March 2000</b>	<b>18 months to 31 March 1999</b>
		<b>£</b>	<b>£</b>
Operating expenses	<b>2</b>	55	(8,134)
Interest receivable	<b>3</b>	-	2,492
Profit/(loss) on ordinary activities before taxation		55	(5,642)
Profit/(loss) on ordinary activities after taxation	<b>7</b>	55	(5,642)

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

The results above are in respect of continuing operations.

**Reconciliation of movements in shareholders' funds**

	<b>12 months to 31 March 2000</b>	<b>18 months to 31 March 1999</b>
	<b>£</b>	<b>£</b>
Profit/(loss) for the period	55	(5,642)
Opening Shareholders' funds	(1,703,471)	(1,697,829)
Closing Shareholders' funds	(1,703,416)	(1,703,471)

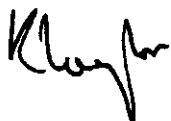
The notes on pages 8 to 10 form an integral part of these accounts.

**Prebon Investments Limited**

Balance Sheet  
31 March 2000

	Note	31 March 2000 £	31 March 1999 £
<b>Fixed assets</b>			
Investments	4	<u>5,166,380</u>	<u>5,166,380</u>
<b>Current assets</b>			
Cash at bank and in hand		4,642	4,587
<b>Creditors (amounts falling due within one year)</b>	5	<u>(6,874,438)</u>	<u>(6,874,438)</u>
<b>Net current liabilities</b>		<u>(6,869,796)</u>	<u>(6,869,851)</u>
<b>Total assets less current liabilities</b>		<u>(1,703,416)</u>	<u>(1,703,471)</u>
<b>Net liabilities</b>		<u>(1,703,416)</u>	<u>(1,703,471)</u>
<b>Capital and reserves</b>			
Share capital	6	100	100
Profit and loss account	7	<u>(1,703,516)</u>	<u>(1,703,571)</u>
<b>Equity shareholders' funds</b>		<u>(1,703,416)</u>	<u>(1,703,471)</u>

Approved by the board on 18 January 2002  
and signed on their behalf by:



K M Taylor - Director

The notes on pages 8 to 10 form an integral part of these accounts.



## **1 Accounting policies**

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

The Company has taken advantage of the exemption granted under Section 228 of the Companies Act 1985 from the obligation to prepare and deliver group accounts.

### **Investments in subsidiary undertakings**

The values of investments in subsidiary undertakings are shown at cost. The profit or loss on disposal of investments is dealt with through the profit and loss account and any permanent diminution of value is charged to the profit and loss account.

### **Foreign currency**

Transactions in foreign currencies are converted at exchange rates ruling at the transaction dates. 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.

### **Deferred taxation**

No provision is made for deferred taxation in respect of timing differences except where, in the opinion of the directors, it is expected that a tax payment or credit will crystallise in the foreseeable future.

### **Cash flow statement**

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.

### **Related parties**

The Company has taken advantage of the exemption granted to wholly owned and controlled subsidiary undertakings by FRS 8, Related Party Disclosures, not to disclose related party transactions with members of the Group or associates of other group members.

## **2 Operating expenses**

Operating expenses are stated after charging:-

	<b>12 months to 31 March 2000</b>	<b>18 months to 31 March 1999</b>
	<b>£</b>	<b>£</b>
Exchange differences	<u>55</u>	<u>95</u>

No fees or other emoluments have been paid to directors of the Company for services during the year. The audit fee of £3,000 (1999 : £3,000) is borne by the immediate parent company. The Company had no employees during the year.

**3 Interest receivable**

	12 months to 31 March 2000 £	18 months to 31 March 1999 £
External interest receivable	<u>-</u>	<u>2,492</u>

**4 Investments**

	£
Investment in subsidiary undertakings at cost, 31 March 2000 and 1999	<u>5,166,380</u>

Investment in subsidiary undertakings comprises investments that are wholly owned by the Company in respect of ordinary shares and voting rights. The principal subsidiary undertakings are as follows:

LCF Limited  
Prebon (Financial Futures) Limited  
Onlymatch Leasing Limited

The above subsidiary undertakings are incorporated in the United Kingdom, are registered in England and Wales and are all non-trading.

**5 Creditors (amounts falling due within one year)**

	31 March 2000 £	31 March 1999 £
Amounts due to group undertakings	93,176	93,176
Amounts due to subsidiary undertakings	5,239,432	5,239,432
Amounts due to parent undertaking	1,537,830	1,537,830
Accruals and deferred income	<u>4,000</u>	<u>4,000</u>
	<u>6,874,438</u>	<u>6,874,438</u>

**6 Share capital**

	31 March 2000 & 31 March 1999 £
Authorised: 1,000 ordinary shares of £1 each	<u>100,000</u>
Issued and fully paid: 100 ordinary shares of £1 each	<u>100</u>

**7 Profit and loss account**

	£
At 1 April 1999	(1,703,571)
Profit for the year	<u>55</u>
At 31 March 2000	<u><u>(1,703,516)</u></u>

**8 Ultimate holding company**

At 31 March 2000 and throughout the year then ended, the ultimate holding company was FPG Holdings Limited ("FPGH"), a company registered in England and Wales.

Prebon Group Limited and its parent, FPGH, both consolidate the results of the Company and copies of the consolidated accounts can be obtained from the Company Secretary, Prebon Group Limited, 2<sup>nd</sup> Floor, 155 Bishopsgate, London EC2N 3DA.

**9 Financial support**

The directors of Prebon Group Limited have confirmed their intention to ensure that sufficient financial resources are available to Prebon Investments Limited to enable it to satisfy its liabilities as they fall due.