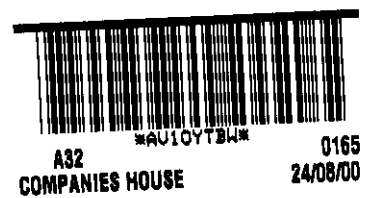


**BOW LANE CAPITAL LIMITED**

**DIRECTORS' REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 1999**

**COMPANY NO : 2952746**



## **BOW LANE CAPITAL LIMITED**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 1999**

The directors present their report and the audited accounts for the year ended 31 December 1999.

#### **DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable standards have been followed, subject to any material departures described and explained in the accounts;
- prepare the accounts 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 accounts 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.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company is the provision of corporate financial consultancy services. The company is regulated by the Securities and Futures Authority Limited.

#### **REVIEW OF THE BUSINESS**

The results for the year are set out in the profit & loss account and show a profit after tax of £86,914 (1998: £23,495).

The directors aim to maintain the management policies that have resulted in the steady growth in the company, and consider that the company is in a good position to take advantage of any opportunities which may arise in the future.

# **BOW LANE CAPITAL LIMITED**

## **REPORT OF THE DIRECTORS**

**FOR THE YEAR ENDED 31 DECEMBER 1999 (Continued)**

### **DIRECTORS**

The directors of the company throughout the year are set out below. Neither director had any interest in the shares of the company at 31 December 1999 or 31 December 1998.

The directors of the company are also directors of the company's parent, John Duncan & Company Limited. Their interests in the share capital of that company were:

	Ordinary shares of £1 each	
	31/12/1999	31/12/1998
DJL Abbot	45,000	45,000
AFK Pierson	10,000	10,000

### **AUDITORS**

During 1999 Grant Thornton resigned as auditors and Clark Kennedy White Limited were appointed in their place. A resolution proposing the re-appointment of Clark Kennedy White Limited will be submitted to the forthcoming Annual General Meeting.

By order of the Board.



AFK Pierson  
Secretary

28 March 2000

# CLARK KENNEDY WHITE LIMITED

CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS

---

The Old Bakehouse, Course Road, Ascot, Berks. SL5 7HL  
Tel: 01344 628927 Fax: 01344 628937 Mobile: 0973 121347

## REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF BOW LANE CAPITAL LIMITED

We have audited the accounts on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

### Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

### Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Clark Kennedy White Limited*

### Registered Auditors

The Old Bakehouse  
Course Road  
Ascot  
Berks SL5 7HL

28 March 2000

# **BOW LANE CAPITAL LIMITED**

## **PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1999**

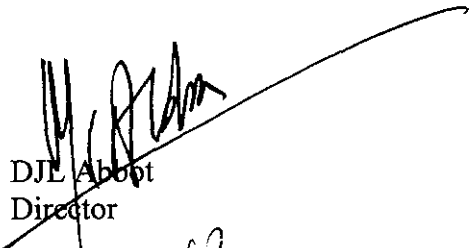

	Note	1999 £	1998 £
TURNOVER	2	273,025	243,326
Administrative expenses		(169,353)	(218,883)
OPERATING PROFIT	3	103,672	24,443
Interest receivable and similar income		4,960	5,297
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		108,632	29,740
Taxation on profit on ordinary activities	5	(21,718)	(6,245)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		86,914	23,495

During the years ended 31 December 1999 and 31 December 1998, the company had no recognised gains and losses other than those included within its profit and loss account. Accordingly the company has not presented a separate statement of total recognised gains and losses.

The company's turnover and other items credited or charged in arriving at its operating profit arose entirely from its continuing operations.

# BOW LANE CAPITAL LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 1999

	Note	£	1999 £	£	1998 £
<b>CURRENT ASSETS</b>					
Debtors	6	219,836		63,731	
Cash at bank and in hand		149,180		177,789	
		<u>369,016</u>		<u>241,520</u>	
<b>CREDITORS - amounts falling due within one year</b>					
	7	(58,524)		(17,942)	
		<u></u>		<u></u>	
<b>NET CURRENT ASSETS</b>			310,492		223,578
			<u>310,492</u>		<u>223,578</u>
<b>Total assets less current liabilities</b>			<u>310,492</u>		<u>223,578</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	8		36,000		36,000
Profit and loss account	9		274,492		187,578
 DJL Abbott Director					
 AFK Pierson Director					
Approved by the Board on 28 March 2000.					
			<u>310,492</u>		<u>223,578</u>

# BOW LANE CAPITAL LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 1999

	1999	1998
	£	£
<b>Net cash inflow from operations</b>		
Operating profit	103,672	24,443
(Increase)/decrease in debtors	(156,105)	80,401
Increase/(decrease) in creditors	26,264	(225)
	<hr/>	<hr/>
	(26,169)	104,619
<b>Net cash inflow from returns on investments and servicing of finance</b>		
Interest received	4,960	5,297
<b>Taxation paid</b>	(7,400)	(19,000)
	<hr/>	<hr/>
<b>(Decrease)/increase in cash</b>	(28,609)	90,916
	<hr/>	<hr/>
<b>Reconciliation of net cash flow to movement in net funds</b>		
(Decrease)/increase in cash	(28,609)	90,916
Net funds brought forward	177,789	86,873
	<hr/>	<hr/>
<b>Net funds carried forward</b>	149,180	177,789
	<hr/>	<hr/>

### Analysis of changes in net funds

	Balance at 31/12/98 £	Cash Flows £	Other changes £	Balance at 31/12/99 £
Cash at bank and in hand	177,789	(28,609)	-	149,180
	<hr/>	<hr/>	<hr/>	<hr/>

# BOW LANE CAPITAL LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

### 1. ACCOUNTING POLICIES

#### a) Accounting Convention

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

#### b) Foreign Currencies

Assets, liabilities, revenues and costs determined in foreign currencies are recorded at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities at the balance sheet are translated at the closing rate. All exchange differences thus arising are reported as profits/losses for the period.

### 2. TURNOVER

Turnover represents the net amount receivable for services supplied by the company in the ordinary course of its business, exclusive of VAT.

The company's turnover and operating profit arose wholly from operations carried out in the United Kingdom.

### 3. OPERATING PROFIT

Operating profit is stated after charging:

	1999 £	1998 £
Auditor's remuneration	2,000	4,500
	<hr/>	<hr/>

### 4. EMPLOYEE INFORMATION

No director received any remuneration from the company during the year under review. (1998: nil)

The average weekly number of employees incl. directors during the year was 2 (1998: 2).



# **BOW LANE CAPITAL LIMITED**

## **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999 (Continued)**

### **5. TAX ON PROFIT ON ORDINARY ACTIVITIES**

Based on the profit for the year:

	1999 £	1998 £
UK corporation tax at 20% (1998: 21%)	21,718	6,245

### **6. DEBTORS**

	1999 £	1998 £
Trade debtors	12,006	9,754
Amounts owed by parent undertaking	196,048	53,977
Prepayments & accrued income	11,782	-
	<u>219,836</u>	<u>63,731</u>

### **7. CREDITORS - amounts falling due within one year**

	1999 £	1998 £
Corporation tax	27,760	13,442
Accruals and deferred income	30,764	4,500
	<u>58,524</u>	<u>17,942</u>

### **8. CALLED UP SHARE CAPITAL**

Ordinary shares of £1 each

	1999 & 1998 No.	£
Authorised	36,000	36,000
Allotted, issued & fully paid	<u>36,000</u>	<u>36,000</u>

## **BOW LANE CAPITAL LIMITED**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999 (Continued)**

#### **9. RESERVES AND RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	£
Shareholders funds at 31 December 1997	200,083
Profit for the year	23,495
	<hr/>
Shareholders funds at 31 December 1998	223,578
Profit for the year	86,914
	<hr/>
Shareholders funds at 31 December 1999	310,492
	<hr/>

Shareholders' funds is the total of the issued share capital and reserves.

#### **10. CONTINGENT LIABILITIES**

There were no contingent liabilities at 31 December 1999 ( 31 December 1998: nil)

#### **11. FINANCIAL COMMITMENTS**

The company had no capital or other financial commitments at 31 December 1999  
(31 December 1998: nil)

#### **12. ULTIMATE PARENT UNDERTAKING**

The directors consider that the ultimate parent undertaking of this company is John Duncan & Company Limited, registered in England & Wales, by virtue of it holding 100% of the issued share capital of this company.

#### **13. RELATED PARTY TRANSACTIONS**

As a wholly owned subsidiary of John Duncan & Company Limited, advantage has been taken of the exemption conferred by Financial Reporting Standard 8 not to disclose transactions which fall within the group headed by John Duncan & Company Limited.