

ELECTRA GP (UNQUOTED UK) LIMITED

REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30TH SEPTEMBER 2000**

**REGISTERED NUMBER
3053568**



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ELECTRA GP (UNQUOTED UK) LIMITED

Board of Directors

Hugh Anthony Lewis Holland Mumford (*Chairman*)
Philip John Dyke
Robert John Lewis
Stephen Daryl Ozin
Julian David Knott (Alternate Director for HALH Mumford)
Kalvin Bret Booth (Alternate Director for RJ Lewis)
Stephen Daryl Ozin (Alternate Director for RJ Lewis)

Secretary and Registered Office

Philip John Dyke
65 Kingsway
London
WC2B 6QT

ELECTRA GP (UNQUOTED UK) LIMITED

Report of the Directors

The Directors present their Report and the Financial Statements of the Company for the year ended 30th September 2000.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

For part of the year under review the Company acted as General Partner of a UK investment Limited Partnership holding investments in unquoted securities in the United Kingdom and Continental Europe. On 15 November 1999 the Company retired as a General Partner and transferred all of its interest, duties and responsibilities in the Limited Partnership to a new General Partner. The Company did not trade for the remainder of the year under review. During the year under review the ultimate parent undertaking changed from Electra Investment Trust PLC to Electra Partners Limited.

RESULTS AND DIVIDENDS

The profit on ordinary activities after tax amounted to £527 (1999: £9,759,954). The Directors recommend the payment of a final dividend of £11,500,000 (1999: £Nil). The retained loss for the year of £11,499,473 (1999: profit of £9,759,954) was transferred to reserves.

DIRECTORS

Mr PJ Dyke, Mr RJ Lewis, Mr HALH Mumford and Mr SD Ozin were Directors throughout the year ended 30th September 2000. Mr KB Booth and Mr SD Ozin were Alternate Directors for Mr RJ Lewis and Mr JD Knott was an Alternate Director for Mr HALH Mumford throughout the year ended 30th September 2000. No other person was a Director during any part of the year under review.

DIRECTORS' INTERESTS

The interests of the Directors and of their families, all of which are beneficial except where noted, in the share capital of the Company's ultimate holding company, Electra Partners Limited are set out below. Other than as here disclosed, no Director had any notifiable interests in the securities of any further subsidiary of Electra Partners Limited or in the securities of the Company.

Director	Number of Ordinary Shares in Electra Partners Limited	
	30.09.00	01.10.99
P J Dyke	16,250	-
JD Knott	16,250	-
RJ Lewis	18,770*	-
HALH Mumford	47,500	-
SD Ozin	5,000	-
KB Booth	3,750	-

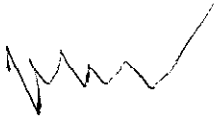
*20 shares held non-beneficially

ELECTRA GP (UNQUOTED UK) LIMITED

Report of the Directors (Continued)

ELECTIVE RESOLUTIONS

On 20th May 1998, elective resolutions were duly passed whereby the Company is no longer required to hold Annual General Meetings, with the result that PricewaterhouseCoopers will continue as Auditors, and the Directors are no longer required to lay financial statements before the Company in general meeting.

A handwritten signature in dark ink, appearing to be 'PJ Dyke', written in a cursive style.

By Order of the Board of Directors
PJ Dyke, Secretary
65 Kingsway
London WC2B 6QT

16th April 2002

ELECTRA GP (UNQUOTED UK) LIMITED

Directors' Responsibilities for Preparing the Financial Statements

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 as at the end of that year and of its profit or loss for that year. In preparing those Financial Statements the Directors are required to:

- select appropriate accounting policies and then apply them consistently on the basis of judgments and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- 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 ensuring that proper accounting records are kept 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 taking such steps as are reasonably open to them for safeguarding the assets of the Company and for the prevention and detection of fraud and other irregularities. The Directors confirm that they have complied with these requirements.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the Financial Statements.

ELECTRA GP (UNQUOTED UK) LIMITED

Report of the Auditors to the Members of Electra GP (Unquoted UK) Limited

We have audited the financial statements on pages 6 to 10 which have been prepared under the historical cost convention and the accounting policies on page 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Directors are responsible for preparing the Annual Report. As described on page 4, 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 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 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 at 30 September 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
London

16th April 2002

ELECTRA GP (UNQUOTED UK) LIMITED

Profit and Loss Account

	Note	Year ended 30th September 2000 £	Year ended 30th September 1999 (as restated) £
Turnover	3	-	9,760,239*
Operating expenses	4	527	(285)
Profit on Ordinary Activities before Taxation		527	9,759,954
Tax on Profit on Ordinary Activities	6	-	-*
Profit on Ordinary Activities after Taxation		527	9,759,954
Dividends	7	(11,500,000)	-
Retained (Loss)/Profit for the year		(11,499,473)	9,759,954
Retained Profits brought forward		11,605,897	1,845,943
Retained Profits carried forward		106,424	11,605,897

* Prior year adjustment (see note 2)

All results and comparatives shown in the profit and loss account above are from discontinued operations.

The Company has no recognised gains and losses other than those included in the profit and loss account as shown above and, therefore, no separate statement of total recognised gains and losses has been presented.

There is no difference between the results shown above and the results on an unmodified historical cost basis, therefore, no separate note of historical cost profits or losses has been presented.

ELECTRA GP (UNQUOTED UK) LIMITED

Balance Sheet

		30th September 2000		30th September 1999 (as restated)	
	Note	£	£	£	£
Fixed Assets					
Investments	8		10,000		10,000
Current Assets					
Debtors	9	21,490,456		21,465,188	
Creditors					
Amounts falling due within one year	10	21,394,030		9,869,289	
Net Current Assets		96,426		11,595,899	
Net Assets			106,426		11,605,899
Capital and Reserves					
Called-up share capital	11		2		2
Profit and loss account			106,424		11,605,897
Total Equity Shareholder's Funds	12		106,426		11,605,899

The Financial Statements on pages 6 to 10 were approved by the Board of Directors on 16th April 2002 and were signed on its behalf by:-



RJ Lewis *Director*

ELECTRA GP (UNQUOTED UK) LIMITED

Notes to the Financial Statements

1. ACCOUNTING POLICIES

The Financial Statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. The more significant accounting policies are listed below.

- (a) The Financial Statements have been prepared under the historical cost convention.
- (b) Partnership Income is profits from interests in Limited Partnerships and is accounted for on an accruals basis.
- (c) Expenses are accounted for on an accruals basis.
- (d) Investment in the Limited Partnership is held as a Fixed Asset Investment at the lower of cost or net realisable value.
- (e) The Company is a wholly-owned subsidiary of an EU company which publishes consolidated accounts that include a consolidated cash flow statement and therefore is not required to produce a cash flow statement.
- (f) The financial statements contain information about Electra GP (Unquoted UK) Limited as an individual company and do not contain information as the parent of the group. The Company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation, or the reasons for their exclusions, in the consolidated financial statements of its parent, Electra Kingsway Holdings Limited, a company registered in England and Wales.

2. PRIOR YEAR ADJUSTMENT

The results for the year to 30th September 2000 have been prepared in accordance with UK GAAP and have consequently adopted the new Financial reporting Standard 16 – Current Taxation. There is nil effect in the current period.

Last year's comparative figures have been restated accordingly by reducing Income from the Company and Taxation on Ordinary Activities by £1,032,981.

This has no impact on the Net Assets of the Company or Transfer to Reserves for the year to 30th September 2000.

	Year ended 30th September 2000	Year ended 30th September 1999 (as restated)
	£	£
3. TURNOVER		
Partnership income - UK	-	9,296,837
Other income	-	463,402
	-	9,760,239

Other income is in respect of a creditor balance with the Limited Partnership which is no longer payable.

ELECTRA GP (UNQUOTED UK) LIMITED

Notes to the Financial Statements (Continued)

	Year ended 30th September 2000 £	Year ended 30th September 1999 £
4. OPERATING EXPENSES		
Fees to group undertakings	527	(285)
The audit fee of £3,300 (1999:£3,300) for the year have been borne by another group company.		
5. DIRECTORS AND EMPLOYEES		
No remuneration was paid to the Directors during the year ended 30th September 2000 (1999: £nil). There were no employees of the Company (1999: none).		
6. TAXATION		
UK Corporation tax	-	-
Tax credits on franked investment income	-	-
	-	-
The Company has made no provision for current corporation tax on the basis that any such charge will be eliminated by group relief. The average corporation tax rate for the year ended 30th September 2000 was 30%.		
7. DIVIDENDS		
Final of £5,750,000 per share (1999: £Nil)	11,500,000	-
8. FIXED ASSET INVESTMENTS		
Electra Private Equity Partners 1995	10,000	10,000
9. DEBTORS		
Amounts due from Group undertaking:-	21,095,739	20,839,106
Other debtors	-	237,277
Taxation recoverable	394,717	388,805
	21,490,456	21,465,188
10. CREDITORS		
Amounts falling due within one year:-		
Amounts due to Group undertakings	20,955,946	9,450,033
Other creditors	438,084	419,256
Amounts due to Group undertakings	21,394,030	9,869,289

ELECTRA GP (UNQUOTED UK) LIMITED

Notes to the Financial Statements (*Continued*)

	30th September 2000 £	30th September 1999 £
11. SHARE CAPITAL		
Authorised		
1,000 ordinary shares of £1 each	1,000	1,000
Allotted, called-up and fully paid		
2 ordinary shares of £1 each	2	2
12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS		
Profit for the period	527	9,759,954
Dividends	(11,500,000)	-
	(11,499,473)	9,759,954
Opening equity shareholder's funds	11,605,899	1,845,945
Closing equity shareholder's funds	106,426	11,605,899

13. RELATED PARTY TRANSACTIONS

Transactions in the period with Electra Private Equity Partners 1995, the "Limited Partnership" were as follows

- Receipt of priority profit share from the Limited Partnership of £Nil (1999: £10,329,818)
- An amount of £Nil (1999: £237,277) outstanding at the year end is due from the Limited Partnership.

On 29th June 1999, the Limited Partnership Agreement was amended, which has resulted in a termination of partnership income.

Advantage has been taken of the exemption available under Financial Reporting Standard 8 (Related Party Disclosures) not to disclose transactions between entities 90% or more of whose voting rights are controlled within the group.

14. ULTIMATE HOLDING COMPANY

From 1st October 1999 until 15th November 1999 the Directors regarded Electra Investment Trust PLC as the ultimate parent holding company of the Company. On 15th November 1999 Electra Partners Limited purchased the entire share capital of Electra Kingsway Holdings Limited, a subsidiary of Electra Investment Trust PLC. As of this date the Company's ultimate parent undertaking became Electra Partners Limited, a company incorporated in Great Britain and registered in England and Wales. Copies of Electra Partners Limited's Financial Statements are available from the Secretary of the Company at 65 Kingsway, London WC2B 6QT.