

EUROPEAN DERIVATIVES CLEARING HOUSE LIMITED

REPORT AND FINANCIAL STATEMENTS
for the year ended 31 March 2002

Company Number 3053816



EUROPEAN DERIVATIVES CLEARING HOUSE LIMITED

Report of the Directors

The directors submit their report and audited financial statements for the year ended 31 March 2002.

PRINCIPAL ACTIVITY

The Company has not traded during the year.

DIVIDENDS

The directors are unable to recommend the payment of a dividend.

DIRECTORS

The names of the directors who served during the year are as follows:-

D M Gelber
M A Spencer

DIRECTORS' SHARE INTERESTS

The interests of Mr M A Spencer and Mr D M Gelber in the shares of Intercapital Private Group Limited, the ultimate parent company, are shown in the directors' report of that Company. No director had any other interests required to be disclosed.

AUDITORS

MRI Moores Rowland have expressed their willingness to continue in office as auditors. A resolution for their reappointment will be presented at the forthcoming Annual General Meeting.

By order of the Board of Directors
and signed on behalf of the Board



S Mansell
Secretary

Park House
16 Finsbury Circus
London
EC2M 7DJ

Date: 25 November 2002

EUROPEAN DERIVATIVES CLEARING HOUSE LIMITED**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 at the end of the financial year and of the profit or loss for that year. 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;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on a 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.

EUROPEAN DERIVATIVES CLEARING HOUSE LIMITED**Independent Auditors' Report to the Members of
European Derivatives Clearing House Limited**

We have audited the financial statements of European Derivatives Clearing House Limited on pages 5 to 8 for the year ended 31 March 2002. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out on page 2.

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 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 audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. The other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

BASIS OF 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 that 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.

EUROPEAN DERIVATIVES CLEARING HOUSE LIMITED

**Independent Auditors' Report to the Members of
European Derivatives Clearing House Limited**

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 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

MRI Moores Rowland

MRI Moores Rowland

Chartered Accountants
Registered Auditors
London

Date:

26 November 2002.

EUROPEAN DERIVATIVES CLEARING HOUSE LIMITED

Profit and Loss Account for the year ended 31 March 2002

	Notes	2002 £	2001 £
Administration expenses		(3,705)	(754)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(3,705)	(754)
Tax on result from ordinary activities	4	-	183
RETAINED LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(3,705)	(571)
Retained profit at 1 April 2001		989	1,560
RETAINED (LOSS)/PROFIT AT 31 MARCH 2002		(2,716)	989

There are no recognised gains or losses for the current or preceding financial year other than as stated in the profit and loss account.

There were no acquisitions or discontinued operations during the year.

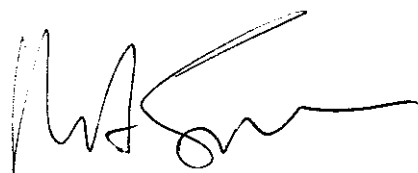
EUROPEAN DERIVATIVES CLEARING HOUSE LIMITED

Balance Sheet as at 31 March 2002

	Notes	£	2002 £	£	2001 £
CURRENT ASSETS					
Debtors	5	498,388		496,554	
Cash at bank		96		5,185	
				<u>501,739</u>	
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	6	(1,200)		(750)	
				<u></u>	
NET CURRENT ASSETS			497,284		500,989
TOTAL NET ASSETS			<u>497,284</u>		<u>500,989</u>
CAPITAL AND RESERVES					
Called up share capital	7		100,000		100,000
Share premium account			400,000		400,000
Profit and loss account			(2,716)		989
SHAREHOLDERS' FUNDS	8		<u>497,284</u>		<u>500,989</u>

THE FINANCIAL STATEMENTS WERE APPROVED
BY THE BOARD OF DIRECTORS ON

Signed on behalf of the Board of Directors



M A SPENCER

Date: 25 November 2002

EUROPEAN DERIVATIVES CLEARING HOUSE LIMITED

Notes to the Financial Statements - 31 March 2002

1. ACCOUNTING POLICIES

These financial statements have been prepared in accordance with applicable accounting standards. The principal accounting policies which the directors have adopted are set out below.

Cash flow statement – The company has taken advantage of the exemptions available to 90 % owned subsidiaries under Financial Reporting Standard 1 where the parent company produces consolidated financial statements including a consolidated cash flow statement showing the cash flows of the group. Therefore no cash flow statement has been produced.

Accounting Convention

The financial statements are prepared under the historical cost convention.

2. DIRECTORS AND EMPLOYEES

There were no employees employed by the Company during the year. No director received emoluments from the Company during the year.

3. OPERATING LOSS	2002 £	2001 £
Operating loss is stated after charging:-		
Audit fees - prior year	-	-
- current year	3,700	750
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4. TAX ON ORDINARY ACTIVITIES

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 30%. The actual charge for the year is different from the standard rate for the reasons set out in the following reconciliation.

	2002 £	2001 £
Loss on ordinary activities before taxation	(3,705)	(754)
	<hr/>	<hr/>
Tax on loss on ordinary activities at standard rate	-	-
Tax on interest receivable	-	-
Adjustments in respect of prior years	-	(183)
	<hr/>	<hr/>
Charge to the financial statements	-	(183)
	<hr/>	<hr/>

5. DEBTORS	2002 £	2001 £
Amounts owed by group undertakings	498,388	496,554
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EUROPEAN DERIVATIVES CLEARING HOUSE LIMITED

Notes to the Financial Statements - 31 March 2002

6. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	2002	2001
	£	£
Corporation tax	-	-
Accruals - audit	1,200	750
	<u>1,200</u>	<u>750</u>
7. CALLED UP SHARE CAPITAL	2002	2001
	£	£
Authorised 1,000,000 ordinary shares of £1 each	£1,000,000	£1,000,000
Allotted and fully paid 100,000 ordinary shares of £1 each	£100,000	£100,000
8. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS	2002	2001
	£	£
Loss for the year	(3,705)	(571)
Net reduction in shareholders' funds	<u>(3,705)</u>	<u>(571)</u>
Opening shareholders' funds	500,989	501,560
Closing shareholders' funds	<u>497,284</u>	<u>500,989</u>
9. RELATED PARTIES		

The ultimate parent company and controlling party is Intercapital Private Group Limited. Copies of the group financial statements of Intercapital Private Group Limited are available from The Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

The company has taken advantage of the exemption conferred by FRS 8, in not disclosing transactions or balances with group undertakings.