

Company Registration No. 3169067

INDEPENDENT PORTFOLIO MANAGERS LIMITED

Financial Statements
31 March 1999



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INDEPENDENT PORTFOLIO MANAGERS LIMITED

Financial statements for the year ended 31 March 1999

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INDEPENDENT PORTFOLIO MANAGERS LIMITED

Company information

Directors

A P Curtis
F B Hyland
M R Ingram
A J Stokes
C G Warburton

Secretary

F B Hyland

Registered office

19 Earl Street
London
EC2A 2AL

Registered number

3169067

Auditors

Chantrey Vellacott DFK
Airport House
Purley Way
Croydon
Surrey
CR0 0XZ

INDEPENDENT PORTFOLIO MANAGERS LIMITED

Directors' report for the year ended 31 March 1999

The directors present their report and the financial statements of the company for the year ended 31 March 1999.

Review of the business

The company received its registration from IMRO on 30 May 1997.

The principal activities of the company is the provision of fund management, research and consultancy advice in the sector of Collective Investments Schemes.

The directors have reviewed the development of the business during the year and the position as at the year end and consider them to be satisfactory.

Results and dividends

The results for the year ended 31 March 1999 are shown in the profit and loss account on page 5. The loss for the year after taxation was £5,822.

Directors

The directors who served during the year were:

A P Curtis
F B Hyland
M R Ingram
A J Stokes
C G Warburton

Directors' interests in shares

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary shares of £1 each	
	31 March 1999	1 April 1998
A P Curtis	-	-
F B Hyland	-	-
M R Ingram	-	-
A J Stokes	-	-
C G Warburton	-	-

The interests of the directors in the shares of the holding company, The Investors Partnership Limited, are disclosed in the financial statements of that company.

Auditors

A resolution to reappoint Chantrey Vellacott DFK as auditors of the company will be proposed at the Annual General Meeting.

INDEPENDENT PORTFOLIO MANAGERS LIMITED

Directors' report for the year ended 31 March 1999


Directors' responsibilities

Company law requires the directors to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of its financial year and of the profit or loss of the company for the year then ended. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 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.

Signed on behalf of the Board



A P CURTIS
Director

Approved by the Board on 30.7.99

INDEPENDENT PORTFOLIO MANAGERS LIMITED

Auditors' report to the members of Independent Portfolio Managers Limited

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements 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 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 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 1999 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Chantrey Vellacott DFK

CHANTREY VELLACOTT DFK

Chartered Accountants
Registered Auditors

CROYDON

30 July 1999

INDEPENDENT PORTFOLIO MANAGERS LIMITED

Profit and loss account for the year ended 31 March 1999

	Notes	1999 £	Period from 7 March 1996 to 31 March 1998 £
Turnover	2	35,816	20,541
Administrative expenses		42,871	84,424
Operating loss		(7,055)	(63,883)
Interest receivable and similar income	3	1,236	2,064
Interest payable and similar charges	4	(3)	(14)
Loss on ordinary activities before taxation	5	(5,822)	(61,833)
Tax on loss on ordinary activities	7	-	-
Loss for the year	12	(5,822)	(61,833)

None of the company's activities was acquired or discontinued during the above two financial years.

The company has no recognised gains and losses other than those included in the losses above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the losses shown above and their historical cost equivalents.

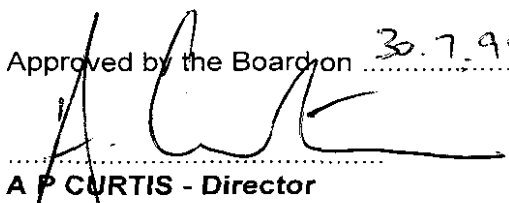
The notes on pages 8 to 11 form part of these financial statements.

INDEPENDENT PORTFOLIO MANAGERS LIMITED

Balance sheet at 31 March 1999

	Notes	1999 £	1998 £
Current assets			
Debtors	8	25,110	18,151
Cash at bank and in hand		34,965	46,546
		<u>60,075</u>	<u>64,697</u>
Creditors: amounts falling due within one year	9	(10,800)	(9,600)
		<u>49,275</u>	<u>55,097</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	10	(20,000)	(20,000)
		<u>29,275</u>	<u>35,097</u>
Capital and reserves			
Called up share capital	11	100,000	100,000
Profit and loss account	12	(70,725)	(64,903)
Shareholders' funds	13	<u>29,275</u>	<u>35,097</u>

Approved by the Board on 30.7.99 and signed on its behalf.


A P CURTIS - Director

The notes on pages 8 to 11 form part of these financial statements.

INDEPENDENT PORTFOLIO MANAGERS LIMITED

Cash flow statement for the year 31 March 1999

	Notes	1999 £	1998 £
Net cash outflow from operating activities	14a	(12,814)	(75,534)
Returns on investments and servicing of finance			
Interest received		1,236	2,064
Interest paid		(3)	(14)
Net cash inflow for returns on investments and servicing of finance		1,233	2,050
Net cash outflow before management of liquid resources and financing		(11,581)	(73,484)
Financing			
Issue of ordinary share capital		-	99,999
Other new long term loans		-	20,000
Net cash (outflow)/inflow from financing		-	119,999
(Decrease)/increase in cash in the year		(11,581)	46,515

The notes on pages 8 to 11 form part of these financial statements.

INDEPENDENT PORTFOLIO MANAGERS LIMITED

Notes to the financial statements for the year ended 31 March 1999

1 Accounting policies

a) Basis of accounting

The financial statements are prepared on the historical cost basis of accounting.

b) Deferred taxation

Deferred taxation is provided under the liability method in respect of all material timing differences between the profits as computed for taxation purposes and the profits as stated in the financial statements, to the extent that it is probable that a liability or asset will crystallise. The rate of tax used is that which is expected to be applied when the liability or asset is expected to crystallise.

c) Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into sterling at the rates ruling at the year end. All other gains and losses on exchange are dealt with in the profit and loss account.

2 Turnover

Turnover represents the amounts receivable for goods and services excluding VAT arising wholly within the United Kingdom.

		Period from 7 March 1996 to 31 March 1998
	1999 £	1998 £
3 Interest receivable and similar income		
Bank interest	<u>1,236</u>	<u>2,064</u>

		Period from 7 March 1996 to 31 March 1998
	1999 £	1998 £
4 Interest payable and similar charges		
On bank loans and overdrafts wholly repayable within 5 years	<u>3</u>	<u>14</u>

		Period from 7 March 1996 to 31 March 1998
	1999 £	1998 £
5 Loss on ordinary activities before taxation		
This is stated after charging:		
Auditors' remuneration:		
In respect of audit services	<u>4,000</u>	<u>4,000</u>

INDEPENDENT PORTFOLIO MANAGERS LIMITED

Notes to the financial statements for the year ended 31 March 1999

6 Employee information

There were no employees during the year apart from the directors.

7 Tax on loss on ordinary activities

There was no tax liability for the year due to losses incurred.

8 Debtors

	1999 £	1998 £
Trade debtors	12,886	16,450
Amounts owed by parent company	12,224	1,701
	<u>25,110</u>	<u>18,151</u>

9 Creditors: amounts falling due within one year

	1999 £	1998 £
Accruals and deferred income	<u>10,800</u>	<u>9,600</u>

10 Creditors: amounts falling due after more than one year

	1999 £	1998 £
Amounts owed to parent company - subordinated loan	<u>20,000</u>	<u>20,000</u>

Analysis of loans

Not wholly repayable within five years	<u>20,000</u>	<u>20,000</u>
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The maturity of total debt may be analysed as follows:

Over five years	<u>20,000</u>	<u>20,000</u>
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11 Called up share capital

	1999 £	1998 £
Authorised Equity shares:		
250,000 Ordinary shares of £1 each	<u>250,000</u>	<u>250,000</u>

Allotted, called up and fully paid

Equity shares:		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

INDEPENDENT PORTFOLIO MANAGERS LIMITED

Notes to the financial statements for the year ended 31 March 1999

12 Reserves		Profit and loss account £
At 1 April 1998		(64,903)
Loss for the year		(5,822)
At 31 March 1999		<u>(70,725)</u>
13 Reconciliation of movement on shareholders' funds		
	1999 £	1998 £
Loss for the financial year	(5,822)	(61,833)
Proceeds from issue of shares	-	99,999
Net (depletion in)/addition to shareholders' funds	<u>(5,822)</u>	<u>38,166</u>
Opening shareholders' funds	<u>35,097</u>	<u>(3,069)</u>
Closing shareholders' funds	<u>29,275</u>	<u>35,097</u>

Shareholders' funds are fully attributable to equity interests.

INDEPENDENT PORTFOLIO MANAGERS LIMITED

Notes to the financial statements for the year ended 31 March 1999

14 Notes to the cash flow statement

a) Reconciliation of operating loss to net cash outflow from operating activities	1999	1998
	£	£
Operating loss	(7,055)	(63,883)
Increase in debtors	(6,959)	(18,151)
Increase in creditors within one year	1,200	6,500
Net cash outflow from operating activities	(12,814)	(75,534)

b) Analysis of net funds	1 April 1998	Cash flow	Other non-cash changes	31 March 1999
	£	£	£	£
Net cash:				
Cash at bank and in hand	46,546	(11,581)	-	34,965
Debt:				
Debts falling due after one year	(20,000)	-	-	(20,000)
Net funds	26,546	(11,581)	-	14,965

c) Reconciliation of net cash flow to movement in net debt	1999	1998
	£	£
(Decrease)/increase in cash in the year	(11,581)	46,515
Cash inflow from increase in debt	-	(20,000)
Movement in net funds in the year	(11,581)	26,515
Opening net funds	26,546	31
Closing net funds	14,965	26,546

15 Control

The immediate and ultimate parent company is The Investors Partnership Limited, a company registered in England and Wales.

16 Related party transactions

The company has taken advantage of the exemptions conferred by Financial Reporting Standard No 8 from the requirement to make disclosures concerning related parties on the grounds that the financial statements of the company are included within the consolidated accounts of its parent company, which are publicly available.