

**LOMBARD RISK MANAGEMENT PLC**

**INITIAL ACCOUNTS**

**PERIOD ENDED 31 MARCH 1997**

**(Company No. 3224870)**



# **LOMBARD RISK MANAGEMENT PLC**

## **DIRECTORS**

J M Wisbey - Chairman  
N J Duxbury

## **SECRETARY**

N J Duxbury

## **REGISTERED OFFICE**

13th Floor  
21 New Fetter Lane  
London  
EC4A 1AJ

## **AUDITORS**

Grant Thornton  
Ashdown House  
125 High Street  
Crawley  
West Sussex  
RH10 1DQ

## **SOLICITORS**

Bird & Bird  
90 Fetter Lane  
London  
EC4A 1TP

## **PRINCIPAL BANKERS**

National Westminster Bank Plc  
P.O. Box 2341  
55 Kensington High Street  
London  
W2 1JA

**LOMBARD RISK MANAGEMENT PLC**  
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**PERIOD ENDED 31 MARCH 1997**

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**LOMBARD RISK MANAGEMENT PLC**

**REPORT OF THE DIRECTORS**

**PERIOD ENDED 31 MARCH 1997**

The directors present their report for the period from 15 July 1996 to 31 March 1997.

**DIRECTORS' RESPONSIBILITIES FOR THE INITIAL ACCOUNTS**

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

Select suitable accounting policies and apply them consistently;

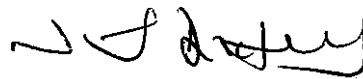
Make judgements and estimates that are reasonable and prudent;

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the initial accounts;

Prepare the initial 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, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By Order of the Board



N J Duxbury

Secretary

30 June 1997

13th Floor  
21 New Fetter Lane  
London  
EC4A 1AJ

**LOMBARD RISK MANAGEMENT PLC**

**PERIOD ENDED 31 MARCH 1997**

**REPORT OF THE AUDITORS TO THE DIRECTORS OF  
LOMBARD RISK MANAGEMENT PLC UNDER SECTION 273 (4) OF  
THE COMPANIES ACT 1985**

We have audited the initial accounts on pages 6 to 8 which have been prepared under the accounting policies set out on page 8.

**Respective responsibilities of directors and auditors**

As described on Page 4, the company's directors are responsible for the preparation of initial accounts. It is our responsibility to form an independent opinion, based on our audit, of those initial accounts and to report our opinion to you.

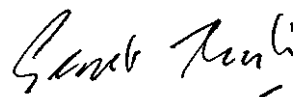
**Basis of opinion**

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 initial accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the initial 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 initial accounts are free from material mis-statement, 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 initial accounts.

**Opinion**

In our opinion the initial accounts for the period from 15 July 1996 to 31 March 1997 have been properly prepared within the meaning of section 273 of the Companies Act 1985.



Ashdown House  
125 High Street  
Crawley  
West Sussex RH10 1DQ

Grant Thornton  
Chartered Accountants  
Registered Auditors

30 June 1997

# **LOMBARD RISK MANAGEMENT PLC**

## **PROFIT AND LOSS ACCOUNT**

**PERIOD ENDED 31 MARCH 1997**

	Notes	1997		1996	
		£	£	£	£
<b>TURNOVER</b>			0		-
Change in work in progress			0		-
			<u>0</u>		<u>-</u>
External charges			0		-
			<u>0</u>		<u>-</u>
Staff costs		0		-	
Other operating charges		<u>21</u>		-	
			<u>(21)</u>	-	
<b>OPERATING PROFIT</b>			<u>(21)</u>	-	
Write off of investment in discontinued operations		0		-	
Income from investments		100,000		-	
Interest payable		<u>0</u>		-	
			<u>100,000</u>		<u>-</u>
			99,979		-
Increase/(Reduction) in value of investments			0		-
<b>PROFIT ON ORDINARY ACTIVITIES</b>			<u>99,979</u>		<u>-</u>
<b>BEFORE TAXATION</b>					
Tax on profit on ordinary activities			0		-
<b>PROFIT ON ORDINARY ACTIVITIES</b>			<u>99,979</u>		<u>-</u>
<b>AFTER TAXATION</b>					
Dividends			<u>100,000</u>		<u>-</u>
<b>LOSS TRANSFERRED FROM</b>			<u>(21)</u>		<u>-</u>
<b>RESERVES</b>					

All recognised gains and losses in the period have been included in the Profit and Loss Account.

The results for the period as set out above have been derived entirely from continuing operations.

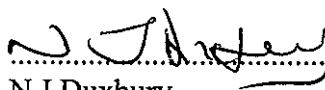
# LOMBARD RISK MANAGEMENT PLC

## BALANCE SHEET

31 MARCH 1997

	Notes	1997	1996
		£	£
<b>FIXED ASSETS</b>	<b>2</b>		
Investment in group companies		15,000,000	-
		<u>15,000,000</u>	<u>-</u>
<b>CURRENT ASSETS</b>			
Debtors due within one year		32,190	-
Cash at bank and in hand		979	-
		<u>33,169</u>	<u>-</u>
<b>CREDITORS: Amounts falling due within one year</b>		<u>(32,190)</u>	<u>-</u>
Net current assets		979	-
Total assets less current liabilities		<u>15,000,979</u>	<u>-</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	<b>3</b>	500,000	-
Other Reserve		14,501,000	-
Profit and loss account		(21)	-
<b>EQUITY SHAREHOLDERS' FUNDS</b>		<u>15,000,979</u>	<u>-</u>

The initial accounts were approved by the board on 30 June 1997 and signed on its behalf by:

 Director  
N J Duxbury

**LOMBARD RISK MANAGEMENT PLC**  
**NOTES TO THE INITIAL ACCOUNTS**  
**FOR THE PERIOD ENDED 31 MARCH 1997**

**1. ACCOUNTING POLICIES**

**(a) Basis of Preparation**

The initial accounts have been prepared in accordance with section 273 of the Companies Act 1985 to enable the directors to pay a dividend.

The initial accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention except that fixed asset investments are included at valuations.

**(b) Fixed Asset Investments**

Investments are included at directors valuation.

**2. INVESTMENT IN GROUP COMPANIES**

The investment of £15,000,000 is the company's holding in 100% of the issued share capital of Lombard Risk Systems Limited, a company incorporated in England and Wales.

The investment is carried at directors valuation.

**3. SHARE CAPITAL**

	1997 £
Authorised 10,000,000 10p Ordinary	<u>1,000,000</u>
Allotted, called up and fully paid 5,000,000 10p Ordinary	<u>500,000</u>