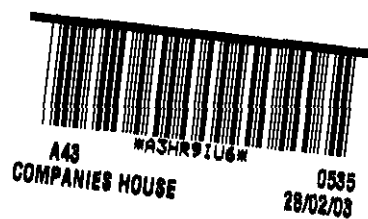


**Prebon Learning Limited**  
**(formerly Prebon Training Services Limited)**  
**Report and Accounts**  
**31 March 2002**  
**Registered Number: 3442804**



**Prebon Learning Limited**  
**(formerly Prebon Training Services Limited)**  
Report and Accounts  
Year ended 31 March 2002

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**Directors**

T C R C Hawes  
A M Hughes

**Secretary**

J M Dearlove

**Registered Office**

2nd Floor  
155 Bishopsgate  
London EC2N 3DA

**Auditors**

PricewaterhouseCoopers  
Southwark Towers  
32 London Bridge Street  
London SE1 9SY

## **Directors' Report**

The directors have pleasure in submitting their report and accounts of the Company for the year ended 31 March 2002.

### **Principal Activity**

The principal activity of the Company is to provide formalised training within the financial services industry.

### **Business review**

During the year under review the Company continued to provide a range of training opportunities, however the emphasis was moved from a central focus on internal training within the group of companies to which the Company belongs to the provision of training throughout other organisations.

This change of focus has led to a move to bespoke training programmes, tailored to the requirements of each client company.

The Company changed its name on 27 September 2001 from Prebon Training Services Limited to Prebon Learning Limited.

### **Likely Future Developments**

The Company's strategy as outlined above is expected to continue.

### **Results and dividends**

The loss on ordinary activities after taxation for the year was £747,000 (2001: loss £100,000). The loss has been transferred to reserves.

The directors do not recommend payment of a dividend (2001: £nil).

### **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 and of the profit and loss of the Company for that period. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently with the exception of the changes arising on the adoption of new accounting standards in the year as explained on page 8 under Note 1 'Accounting policies'. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 March 2002 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and 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.

**Directors' Report *continued***

**Directors and their interests**

The directors of the Company during the year were as follows:

G M Durant	-	resigned 27 September 2001
G R Pithers	-	resigned 27 September 2001
T C R C Hawes	-	appointed 25 September 2001
P R Weston	-	appointed 25 September 2001, resigned 30 November 2001
A M Hughes	-	appointed 30 November 2001

No director had any interest in the issued share capital of the Company.

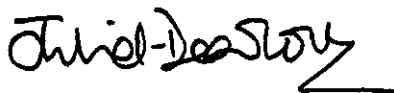
Mr A M Hughes is a director of the ultimate holding company and details of his interest in that company are disclosed in its financial statements.

No contracts of significance to which the Company, its fellow subsidiary undertakings or its holding company, was a party and in which a director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

**Auditors**

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

By Order of the Board



J M Dearlove  
*Secretary*

26 February 2003

**Independent auditors' report to the members of  
Prebon Learning Limited**

We have audited the financial statements on pages 6 to 12 which have been prepared under the historical cost convention and the accounting policies set out in page 8.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board.

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 director's 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 misstatements or material inconsistencies with the financial statements.

**Basis of audit opinion**

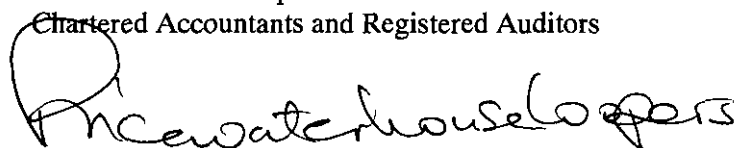
We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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 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.

PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors

A large, stylized handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers', is written over the printed name of the firm.

London  
February 2003

**Prebon Learning Limited**  
**(formerly Prebon Training Services Limited)**  
Year ended 31 March 2002

**Profit and Loss Account**

		Year ended 31 March 2002 £'000	Year ended 31 March 2001 £'000
	Note		
Turnover		479	169
Operating expenses	3	<u>(1,343)</u>	<u>(269)</u>
Loss on ordinary activities before taxation		(864)	(100)
Taxation	6	<u>117</u>	<u>-</u>
Loss on ordinary activities after taxation	13	<u><u>(747)</u></u>	<u><u>(100)</u></u>

There were no gains or losses in the financial year other than those shown above.

The results above are in respect of continuing operations.

The notes on pages 8 to 12 form an integral part of these accounts.

**Prebon Learning Limited**  
**(formerly Prebon Training Services Limited)**  
31 March 2002

**Balance Sheet**

		31 March 2002 £'000	31 March 2001 £'000
	Note		
<b>Tangible fixed assets</b>	<b>7</b>	-	287
<b>Current assets</b>			
Debtors	9	221	66
<b>Creditors (amounts falling due within one year)</b>	<b>10</b>	(943)	(328)
<b>Net current liabilities</b>		(722)	(262)
<b>Total assets less current liabilities</b>		(722)	25
<b>Capital and reserves</b>			
Called up share capital	12	-	-
Profit and loss account	13	(722)	25
<b>Total shareholders' funds</b>	<b>14</b>	(722)	25

Approved by the board on <sup>26</sup>February 2003  
and signed on their behalf by:



T C R C Hawes - Director

The notes on pages 8 to 12 form an integral part of these accounts.



**Notes to the Financial Statements**

**1 Accounting policies**

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

**Turnover**

Turnover represents revenues realised on the provision of formalised training services within the financial services industry.

**Fixed Assets**

The Company capitalises website development costs to the extent that they lead to the creation of an enduring asset and the expenditure incurred on the asset is separately identifiable and the technical feasibility and commercial viability of the website have been assessed. Capitalisation only takes place when the website generates sales or other revenues directly and where there is a reasonable expectation that the present value of the future cash flows generated by the website will be no less than the amounts capitalised in respect of the asset.

**Foreign currency**

Transactions in foreign currencies are converted at exchange rates ruling at the transaction dates. Assets and liabilities denominated in foreign currencies at the balance sheet date are translated into sterling at the rates of exchange ruling at the year end. Exchange gains and losses are taken to the profit and loss account.

**Deferred taxation**

No provision is made for deferred taxation in respect of timing differences except where, in the opinion of the directors, it is expected that a tax payment or credit will crystallise in the foreseeable future in accordance with FRS 19.

**2 Cash flow statement and related parties**

As the Company is a wholly owned subsidiary undertaking of a parent company registered in England and Wales which prepares a consolidated cash flow statement, it is not required to present a cash flow statement in these accounts.

The Company has taken advantage of the exemption granted to wholly owned and controlled subsidiary undertakings by FRS 8, Related Party Disclosures, not to disclose related party transactions with members of the Group or associates of other group members.

**3 Loss on ordinary activities before taxation**

Loss on ordinary activities before taxation is stated after charging:-

	Year ended 31 March 2002 £'000	Year ended 31 March 2001 £'000
Depreciation charge for owned assets	166	-
Loss on disposal of fixed assets	331	-
Auditors remuneration	5	5

**Prebon Learning Limited**  
(formerly Prebon Training Services Limited)

Year ended 31 March 2002

**Notes to the Financial Statements *continued***

**4 Staff Costs**

	Year ended 31 March 2002 £'000	Year ended 31 March 2001 £'000
Wages and salaries	600	181
Social Security costs	55	19
Other pension costs	13	3
	<u>668</u>	<u>203</u>
	<b>Number</b>	<b>Number</b>
Average number of employees	<u>9</u>	<u>3</u>

**5 Directors emoluments**

It is the policy of the Prebon group to disclose the emoluments of its Directors in the most senior company for which a directorship is held. In the case of Mr A Hughes the most senior company is the ultimate holding company, FPG Holdings Limited. The remuneration for Mr Pithers is disclosed in Prebon Marshall Yamane (UK) Limited.

	Year ended 31 March 2002 £'000
Directors' remuneration in respect of services as directors was as follows:	
Emoluments, salary and bonuses	98
Pension contributions to money purchase schemes	-
	<u>98</u>

The emoluments of the highest paid director were £55,000. Of the total remuneration paid to directors above, £16,000 is paid directly by the parent company. None of the directors held any options in the shares of the Company.

**Notes to the Financial Statements *continued***

**6 Taxation**

	Year ended 31 March 2002 £'000	Year ended 31 March 2001 £'000
Current Tax:		
UK Corporation tax charge at 30% (2001: 30%)	-	-
Adjustments in respect of previous periods	117	-
Total current tax	<u>117</u>	<u>-</u>

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	Year ended 31 March 2002 £'000	Year ended 31 March 2001 £'000
Loss on ordinary activities before tax	(864)	(100)
Loss on ordinary activities multiplied by standard rate in the UK of 30% (2001: 30%)	(259)	(30)
Effects of:		
Expenses not deductible for tax purposes	2	1
Deferred tax movement not recognised	149	29
Adjustment to tax charge in respect of previous periods	225	-
	<u>117</u>	<u>-</u>

Factors that may affect future tax charges:

The Company has tax losses that are available for offset against future taxable profits. A deferred tax asset has not been recognised in respect of these losses as their future recovery is uncertain. The total amount that has not been provided is £178,000 (2001 - £29,000).

**7 Tangible fixed assets**

	Computer software £'000
Cost	
At 1 April 2001	287
Additions	210
Write off of development costs	(331)
Disposals	(166)
At 31 March 2002	<u>-</u>
Depreciation	
At 1 April 2001	-
Charge for the year	166
Disposals	(166)
At 31 March 2002	<u>-</u>
Net book amount at 31 March 2002	<u>-</u>
Net book amount at 31 March 2001	<u>287</u>

In the opinion of the directors the present value of the future cash flows generated by the website will be less than the amount capitalised and therefore the decision has been made to write off the development costs in the current year.

**Notes to the Financial Statements *continued***

**8 Investments**

The Company has a 40% holding in Prebon Training Services (South Africa) (Proprietary) Limited, a training company registered in the Republic of South Africa. The investment represents the purchase of 40 ordinary shares of 1 Rand each.

**9 Debtors**

	<b>31 March 2002 £'000</b>	<b>31 March 2001 £'000</b>
Trade debtors	18	66
Amounts due from group companies	108	-
VAT recoverable	75	-
Other debtors	20	-
	<u>221</u>	<u>66</u>

**10 Creditors (amounts falling due within one year)**

	<b>31 March 2002 £'000</b>	<b>31 March 2001 £'000</b>
Corporation tax payable	-	43
Amounts due to group companies	913	285
Accruals and deferred income	30	-
	<u>943</u>	<u>328</u>

**11 Financial Support**

The fellow group undertaking of which the Company is a creditor has indicated that it has no present intention of seeking settlement of any amounts due to it from the Company for at least the next twelve months.

**12 Called up share capital**

	<b>31 March 2002 £</b>	<b>31 March 2001 £</b>
Authorised: 100,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Issued and fully paid: 1 ordinary share of £1 each	<u>1</u>	<u>1</u>

**13 Reserves**

	<b>£'000</b>
At 1 April 2001	25
Retained loss for the year	<u>(747)</u>
At 31 March 2002	<u>(722)</u>

**Notes to the Financial Statements *continued***

**14 Reconciliation of movements in shareholders' funds**

	<b>31 March 2002 £'000</b>	<b>31 March 2001 £'000</b>
Opening Shareholders' funds	25	125
(Loss)/profit on ordinary activities after taxation	<u>(747)</u>	<u>(100)</u>
Closing Shareholders' funds	<u><u>(722)</u></u>	<u><u>25</u></u>

**15 Ultimate holding company**

At 31 March 2002 and throughout the year then ended, the ultimate holding company was FPG Holdings Limited ("FPGH"), a company registered in England and Wales. FPGH is the parent undertaking of the largest group of companies and Prebon Group Limited is the parent undertaking of the smallest group of companies for which group financial statements are drawn up and of which the Company is a member. Copies of these financial statements can be obtained from the Company Secretary, Prebon Group Limited, Hill House, Heron Square, Richmond, Surrey TW9 1EP.