

MPC Investors Limited

Report and Accounts
31 December 2000



OFFICERS AND PROFESSIONAL ADVISERS

The Board of Directors	Mr M R Hadsley-Chaplin Mr C S Maude Mr P B J German Mr D A Robins
Company Secretary	C S Maude
Auditors	Rees Pollock 7 Pilgrim Street London EC4V 6DR
Bankers	HSBC 18 High Street Reigate Surrey RH2 9BB
Solicitors	Dechert 2 Serjeants' Inn London EC4Y 1LT
Registered Office	26 Eccleston Square London SW1V 1NS
Registered Number	03517613

DIRECTORS' REPORT

The directors present their report and accounts of the company for the period from 1 March 2000 to 31 December 2000.

Principal activities and business review

The principal activity of the company during the year was fund management.

Results and dividends

The trading results for the period, and the company's financial position at the end of the period are shown in the attached accounts.

The directors have not recommended a dividend.

The directors and their interests in shares of the company

The directors who served the company during the period together with their beneficial interests, including family holdings, in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 December 2000	At 1 March 2000
Mr M R Hadsley-Chaplin	32,800	700
Mr C S Maude	8,750	150
Mr P B J German	8,750	150

Subsequent to the year end Mr D A Robins was appointed a director on March 16 2001.

Directors' responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company at the end of the period and of the profit or loss for the period then ended.

In preparing those accounts, the directors are required to select suitable accounting policies, as described on page 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. The directors 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.

Auditors

A resolution to re-appoint Rees Pollock as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD

C S Maude
Company Secretary



2nd April

, 2001



REES POLLOCK

Chartered Accountants

7 Pilgrim Street

London EC4V 6DR

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Fax 020 7329 6408

We have audited the accounts on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

Respective responsibilities of the directors and the auditors

As described on page 2, the company's directors are responsible for the preparation of the accounts. 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 2000 and of the loss of the company for the period then ended, and have been properly prepared in accordance with the Companies Act 1985.

Rees Pollock
Chartered Accountants
& Registered Auditors

April 2, 2001

PROFIT AND LOSS ACCOUNT

for the period from 1 March 2000 to 31 December 2000

	Note	Period to 31 Dec 00 £	Year to 29 Feb 00 £
TURNOVER	2	12,631	-
Administrative expenses		193,202	-
OPERATING LOSS	3	(180,571)	-
Interest receivable		13,736	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(166,835)	-
Tax on loss on ordinary activities		-	-
LOSS FOR THE FINANCIAL PERIOD		(166,835)	-

The company has no recognised gains or losses other than the results for the period as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 8 to 12 form part of these Accounts.

BALANCE SHEET

at 31 December 2000

	Note	£	31 Dec 00 £	29 Feb 00 £
FIXED ASSETS				
Intangible assets	6		21,381	-
Tangible assets	7		45,092	-
			<u>66,473</u>	<u>-</u>
CURRENT ASSETS				
Debtors	8	53,567		1,000
Cash at bank		421,128		-
		<u>474,695</u>		<u>1,000</u>
CREDITORS: amounts falling due within one year	9	<u>(31,753)</u>		<u>-</u>
NET CURRENT ASSETS			<u>442,942</u>	<u>1,000</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>509,415</u>	<u>1,000</u>
CAPITAL AND RESERVES				
Called-up equity share capital	10		63,500	1,000
Share premium account	11		612,750	-
Profit and Loss Account			<u>(166,835)</u>	<u>-</u>
SHAREHOLDERS' FUNDS	12		<u>509,415</u>	<u>1,000</u>

Mr M R Hadsley-Chaplin
Director



April 2, 2001

The notes on pages 8 to 12 form part of these Accounts.

CASH FLOW STATEMENT

for the period from 1 March 2000 to 31 December 2000

	Note	Period to 31 Dec 00 £	Year to 29 Feb 00 £
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	13	(182,340)	(998)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		13,736	-
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		13,736	-
CAPITAL EXPENDITURE			
Payments to acquire intangible fixed assets		(37,367)	-
Payments to acquire tangible fixed assets		(48,151)	-
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		(85,518)	-
CASH OUTFLOW BEFORE FINANCING		(254,122)	(998)
FINANCING			
Issue of equity share capital		62,500	998
Share premium on issue of equity share capital		612,750	-
NET CASH INFLOW FROM FINANCING		675,250	998
INCREASE IN CASH	14	421,128	-

The notes on pages 8 to 12 form part of these Accounts.

NOTES TO THE ACCOUNTS

for the period from 1 March 2000 to 31 December 2000

1. ACCOUNTING POLICIES

Basis of accounting

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

Turnover

Turnover represents the amounts derived from the provision of services which fall within the company's ordinary activities, stated net of value added tax.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Development costs - 1 year straight line

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings - 3 years straight line

Equipment - 3 years straight line

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

2. TURNOVER

The company's turnover is derived entirely from outside the UK.

NOTES TO THE ACCOUNTS

for the period from 1 March 2000 to 31 December 2000

3. OPERATING LOSS

Operating loss is stated after charging:

	Period to 31 Dec 00	Year to 29 Feb 00
	£	£
Amortisation	15,986	-
Depreciation	3,059	-
Auditors' remuneration		
- as auditors	8,000	-
Net loss on foreign currency translation	148	-
	<u> </u>	<u> </u>

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial period amounted to:

	Period to 31 Dec 00	Year to 29 Feb 00
	No.	No.
Number of administrative staff	1	-
Number of management staff	4	-
	<u> </u>	<u> </u>
	5	-
	<u> </u>	<u> </u>

The aggregate payroll costs of the above were:

	Period to 31 Dec 00	Year to 29 Feb 00
	£	£
Wages and salaries	93,685	-
Social security costs	9,013	-
	<u> </u>	<u> </u>
	102,698	-
	<u> </u>	<u> </u>

5. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	Period to 31 Dec 00	Year to 29 Feb 00
	£	£
Emoluments receivable	50,001	-
	<u> </u>	<u> </u>

NOTES TO THE ACCOUNTS

for the period from 1 March 2000 to 31 December 2000

6. INTANGIBLE FIXED ASSETS

	Development Costs £
Cost	
Additions	37,367
At 31 December 2000	<u>37,367</u>
Amortisation	
Charge for the period	15,986
At 31 December 2000	<u>15,986</u>
Net Book Value	
At 31 December 2000	<u>21,381</u>

7. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Equipment £	Total £
Cost			
Additions	25,402	22,749	48,151
At 31 December 2000	<u>25,402</u>	<u>22,749</u>	<u>48,151</u>
Depreciation			
Charge for the period	851	2,208	3,059
At 31 December 2000	<u>851</u>	<u>2,208</u>	<u>3,059</u>
Net Book Value			
At 31 December 2000	<u>24,551</u>	<u>20,541</u>	<u>45,092</u>

8. DEBTORS

	31 Dec 00 £	29 Feb 00 £
Trade debtors	5,953	-
Other debtors	44,071	1,000
Prepayments and accrued income	3,543	-
	<u>53,567</u>	<u>1,000</u>

Included in other debtors is an amount of £19,385 which is due after more than one year.

NOTES TO THE ACCOUNTS

for the period from 1 March 2000 to 31 December 2000

9. CREDITORS: Amounts falling due within one year

	31 Dec 00	29 Feb 00
	£	£
Trade creditors	19,001	-
Other creditors	4,020	-
Accruals and deferred income	8,732	-
	<u>31,753</u>	<u>-</u>

10. SHARE CAPITAL

Authorised share capital:

	31 Dec 00	29 Feb 00
	£	£
100,000 Ordinary shares of £1.00 each	<u>100,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	31 Dec 00	29 Feb 00
	£	£
Ordinary share capital brought forward	1,000	2
Issue of ordinary shares	62,500	998
	<u>63,500</u>	<u>1,000</u>

11. SHARE PREMIUM ACCOUNT

	Period to 31 Dec 00	Year to 29 Feb 00
	£	£
Premium on shares issued in the period	<u>612,750</u>	<u>-</u>

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 Dec 00	29 Feb 00
	£	£
Loss for the financial period	(166,835)	-
New equity share capital subscribed	62,500	998
Premium on new share capital subscribed	<u>612,750</u>	<u>-</u>
	675,250	998
Net addition to funds	<u>508,415</u>	<u>998</u>
Opening shareholders' equity funds	1,000	2
Closing shareholders' equity funds	<u>509,415</u>	<u>1,000</u>

NOTES TO THE ACCOUNTS

for the period from 1 March 2000 to 31 December 2000

**13. RECONCILIATION OF OPERATING LOSS TO
NET CASH OUTFLOW FROM OPERATING ACTIVITIES**

	Period to 31 Dec 00	Year to 29 Feb 00
	£	£
Operating loss	(180,571)	-
Amortisation	15,986	-
Depreciation	3,059	-
Increase in debtors	(52,567)	(998)
Increase in creditors	31,753	-
Net cash outflow from operating activities	<u>(182,340)</u>	<u>(998)</u>

14. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	31 Dec 00	29 Feb 00
	£	£
Increase in cash in the period	421,128	-
Movement in net funds in the period	<u>421,128</u>	<u>-</u>
Net funds at 31 December 2000	<u>421,128</u>	<u>-</u>

15. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Mar 2000	Cash flows	At 31 Dec 2000
	£	£	£
Net cash:			
Cash in hand and at bank	-	421,128	421,128
Net funds	<u>-</u>	<u>421,128</u>	<u>421,128</u>

DETAILED PROFIT AND LOSS ACCOUNT

for the period from 1 March 2000 to 31 December 2000

		Period to 31 Dec 00	Year to 29 Feb 00
	£	£	£
TURNOVER			
Management Fees		12,631	-
OVERHEADS			
Wages and salaries	91,045		-
Staff Bonuses	2,240		-
Staff Expenses	400		-
Staff NIC	9,013		-
Rent, rates and water	2,866		-
Light and heat	24		-
Insurance	7,463		-
Travel and subsistence	6,808		-
Telephone	5,980		-
Bloomberg	6,073		-
Software costs and maintenance	11,323		-
Office expenses	1,171		-
Printing, stationery and postage	2,490		-
Sundry expenses	21		-
General expenses	375		-
Advertising	1,750		-
Entertaining	4,697		-
Legal and professional fees	11,091		-
Regulatory Fees	851		-
Accountancy fees	200		-
Auditors remuneration	8,000		-
Amortisation	15,986		-
Depreciation of fixtures and fittings	851		-
Depreciation of office equipment	2,208		-
Bank charges	128		-
Foreign currency gains/losses	148		-
		(193,202)	-
OPERATING LOSS		(180,571)	-
Bank interest receivable		13,736	-
LOSS ON ORDINARY ACTIVITIES		(166,835)	-