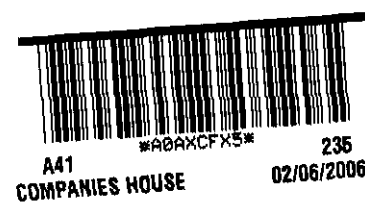


**EVANS RANDALL INVESTMENT MANAGEMENT  
LIMITED (FORMERLY EVANS RANDALL FINANCE  
LIMITED)**

**FINANCIAL STATEMENTS**

**31 DECEMBER 2005**



# **EVANS RANDALL INVESTMENT MANAGEMENT LIMITED (FORMERLY EVANS RANDALL FINANCE LIMITED)**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2005**

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# **EVANS RANDALL INVESTMENT MANAGEMENT LIMITED (FORMERLY EVANS RANDALL FINANCE LIMITED)**

## **OFFICERS AND PROFESSIONAL ADVISERS**

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### **THE BOARD OF DIRECTORS**

M D Evans  
J O Anwell

### **COMPANY SECRETARY**

Trusec Limited

### **REGISTERED OFFICE**

Chobham Park  
Chobham Park Lane  
Chobham  
Woking  
Surrey  
GU24 8HQ

### **AUDITOR**

Menzies  
Chartered Accountants  
& Registered Auditors  
Sandringham  
Guildford Road  
Woking  
Surrey  
GU22 7QL

# **EVANS RANDALL INVESTMENT MANAGEMENT LIMITED (FORMERLY EVANS RANDALL FINANCE LIMITED)**

## **THE DIRECTORS' REPORT**

**YEAR ENDED 31 DECEMBER 2005**

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The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2005.

### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company is arranging financing on behalf of leading corporate clients in the UK and overseas, specialising in structuring and arranging high value, tax effective, domestic and cross border structured finance transactions. The company is regulated by the Financial Services Authority.

The company reported an operating loss for the year of £3,990 (2004: £128) which was covered by net interest income to create a £nil profit in both 2005 and 2004.

The director looks forward to the future with confidence.

### **RESULTS AND DIVIDENDS**

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

### **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

There are no matters concerning financial risk which are material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

### **DIRECTORS**

The directors who served the company during the year were as follows:

M D Evans  
J O Anwell

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company.

J O Anwell was appointed as a director on 14 January 2005.

### **DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 or loss of the company for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies, as described on page 8, and then 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 financial statements; and

- 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. 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.

**EVANS RANDALL INVESTMENT MANAGEMENT LIMITED  
(FORMERLY EVANS RANDALL FINANCE LIMITED)**

**THE DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 31 DECEMBER 2005**

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**AUDITOR**

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

Registered office:  
Chobham Park  
Chobham Park Lane  
Chobham  
Woking  
Surrey  
GU24 8HQ

Signed on behalf of the directors



M D Evans

Director

Approved by the directors on 2 May 2006

# **EVANS RANDALL INVESTMENT MANAGEMENT LIMITED (FORMERLY EVANS RANDALL FINANCE LIMITED)**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF EVANS RANDALL INVESTMENT MANAGEMENT LIMITED (FORMERLY EVANS RANDALL FINANCE LIMITED)**

**YEAR ENDED 31 DECEMBER 2005**

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We have audited the financial statements of Evans Randall Investment Management Limited (Formerly Evans Randall Finance Limited) for the year ended 31 December 2005 on pages 5 to 11 which have been prepared on the basis of the accounting policies set out on page 8.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **BASIS OF AUDIT OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended; and

the financial statements have been properly prepared in accordance with the Companies Act 1985.

Sandringham  
Guildford Road  
Woking  
Surrey  
GU22 7QL

3 May 2006

*Menzies*  
MENZIES  
Chartered Accountants  
& Registered Auditors

**EVANS RANDALL INVESTMENT MANAGEMENT LIMITED  
(FORMERLY EVANS RANDALL FINANCE LIMITED)**

**PROFIT AND LOSS ACCOUNT**

**YEAR ENDED 31 DECEMBER 2005**

	<b>Note</b>	<b>2005 £</b>	<b>2004 £</b>
<b>TURNOVER</b>	<b>2</b>	905,675	14,057
Administrative expenses		909,665	14,185
<b>OPERATING LOSS</b>	<b>3</b>	(3,990)	(128)
Interest receivable		4,001	129
Interest payable and similar charges	<b>5</b>	(11)	(1)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		-	-
Tax on profit on ordinary activities		-	-
<b>PROFIT FOR THE FINANCIAL YEAR</b>		-	-

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

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

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

# EVANS RANDALL INVESTMENT MANAGEMENT LIMITED (FORMERLY EVANS RANDALL FINANCE LIMITED)

## BALANCE SHEET

31 DECEMBER 2005

	Note	2005 £	£	2004 £	£
<b>FIXED ASSETS</b>					
Investments	6		1,139		-
<b>CURRENT ASSETS</b>					
Debtors	7	79,955		47,874	
Cash at bank		30,045		6,051	
		<u>110,000</u>		<u>53,925</u>	
<b>CREDITORS: Amounts falling due within one year</b>	8	<u>61,139</u>		<u>3,925</u>	
<b>NET CURRENT ASSETS</b>			<u>48,861</u>		<u>50,000</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>50,000</u>		<u>50,000</u>
<b>CAPITAL AND RESERVES</b>					
Called-up equity share capital	10		<u>50,000</u>		<u>50,000</u>
<b>SHAREHOLDERS' FUNDS</b>	11		<u>50,000</u>		<u>50,000</u>

These financial statements were approved by the directors on the 2 May 2006 and are signed on their behalf by:

.....  
M D Evans

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



**EVANS RANDALL INVESTMENT MANAGEMENT LIMITED  
(FORMERLY EVANS RANDALL FINANCE LIMITED)**

**CASH FLOW STATEMENT**

**YEAR ENDED 31 DECEMBER 2005**

	2005		2004
	£	£	£
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>		21,143	(46,376)
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest received	4,001		129
Interest paid	(11)		(1)
<b>NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		3,990	128
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>			
Acquisition of investments	(1,139)		-
<b>NET CASH OUTFLOW FOR CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>		(1,139)	-
<b>INCREASE/(DECREASE) IN CASH</b>		23,994	(46,248)
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>			
	2005		2004
	£		£
Operating loss	(3,990)		(128)
Increase in debtors	(32,081)		(46,070)
Increase/(decrease) in creditors	57,214		(178)
<b>Net cash inflow/(outflow) from operating activities</b>	21,143		(46,376)
<b>RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS</b>			
	2005		2004
	£		£
Increase/(Decrease) in cash in the period	23,994		(46,248)
Movement in net funds in the period	23,994		(46,248)
<b>Net funds at 1 January 2005</b>	6,051		52,299
<b>Net funds at 31 December 2005</b>	30,045		6,051
<b>ANALYSIS OF CHANGES IN NET FUNDS</b>			
	At		At
	1 Jan 2005	Cash flows	31 Dec 2005
	£	£	£
Net cash:			
Cash in hand and at bank	6,051	23,994	30,045
<b>Net funds</b>	6,051	23,994	30,045

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

# EVANS RANDALL INVESTMENT MANAGEMENT LIMITED (FORMERLY EVANS RANDALL FINANCE LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

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### 1. ACCOUNTING POLICIES

#### Basis of accounting

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

#### Consolidation

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the EEA and in accordance with Section 228 of the Companies Act 1985, is not required to produce, and has not published, consolidated accounts.

#### Turnover

Turnover comprises the total amount receivable in respect of services provided during the year (excluding value added tax), where the company has a right to consideration.

#### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### 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.

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### Investments

Investments are carried at cost less provision for any permanent diminution.

### 2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2005 £	2004 £
United Kingdom	<u>905,675</u>	<u>14,057</u>

# EVANS RANDALL INVESTMENT MANAGEMENT LIMITED (FORMERLY EVANS RANDALL FINANCE LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

### 3. OPERATING LOSS

Operating loss is stated after charging:

	2005 £	2004 £
Directors' emoluments	-	-
Auditor's remuneration		
- as auditor	2,000	1,500
- for other services	750	500
	<u>2,750</u>	<u>2,000</u>

### 4. PARTICULARS OF EMPLOYEES

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

	2005 No	2004 No
Number of management staff	<u>2</u>	<u>5</u>

No salaries or wages have been paid to employees, including the directors, during the year.

### 5. INTEREST PAYABLE AND SIMILAR CHARGES

	2005 £	2004 £
Interest payable on bank borrowing	<u>11</u>	<u>1</u>

### 6. INVESTMENTS

	Other Investments £	Other Loans £	Total £
<b>COST</b>			
Additions	<u>1,133</u>	<u>6</u>	<u>1,139</u>
At 31 December 2005	<u>1,133</u>	<u>6</u>	<u>1,139</u>
<b>NET BOOK VALUE</b>			
At 31 December 2005	<u>1,133</u>	<u>6</u>	<u>1,139</u>

The company owns 1,133 Ordinary £1 shares in 25 North Colonnade Holdings Limited, a company incorporated in Jersey on 30 November 2005. The company's first set of accounts will be prepared for the period ended 31 March 2007.

The company's shareholding constitutes 24% of the issued share capital of 25 North Colonnade Holdings Limited and the directors do not believe that their influence is significant enough for the investment to be classified as a participating interest.

The company owned 6 Ordinary £1 B shares in 250 Bishopsgate Investment Company Limited, a company incorporated in Jersey. On the 30 November 2005, as part of a re-organisation, 250 Bishopsgate (Holdings) Limited, a company which is also incorporated in Jersey and is the parent company of 250 Bishopsgate Investment Company Limited, issued £1,000,000 of floating rate, unsecured loan notes in exchange for the holding of 6 Ordinary £1 B shares in 250 Bishopsgate Investment Company Limited.

The redemption of these loan notes is contingent upon certain future performance criteria being met and cannot be redeemed prior to 30 June 2006.

The directors also believe that their influence over 250 Bishopsgate (Holdings) Limited is not significant enough for the investment to be classified as a participating interest.

# EVANS RANDALL INVESTMENT MANAGEMENT LIMITED (FORMERLY EVANS RANDALL FINANCE LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

### 7. DEBTORS

	2005 £	2004 £
Trade debtors	4,134	2,841
Amounts owed by group undertakings	75,646	45,000
Other debtors	175	33
	<u>79,955</u>	<u>47,874</u>

### 8. CREDITORS: Amounts falling due within one year

	2005 £	2004 £
Trade creditors	58,000	1,175
Other creditors	1,139	-
Accruals and deferred income	2,000	2,750
	<u>61,139</u>	<u>3,925</u>

### 9. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in Financial Reporting Standard 8 from reporting related party transactions with its parent undertaking as the company is included within the consolidated financial statements of the parent company and these statements are publicly available.

### 10. SHARE CAPITAL

#### Authorised share capital:

	2005 £	2004 £
500,000 Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>

#### Allotted, called up and fully paid:

	2005 No	£	2004 No	£
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
<b>Equity shares</b>				
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>

### 11. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	Share capital £	Profit and loss account £	Total share- holders' funds £
Balance brought forward	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Balance carried forward	<u>50,000</u>	<u>-</u>	<u>50,000</u>

# **EVANS RANDALL INVESTMENT MANAGEMENT LIMITED (FORMERLY EVANS RANDALL FINANCE LIMITED)**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2005**

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### **12. ULTIMATE PARENT COMPANY**

The ultimate holding company as at 31 December 2005 was Evans Randall Limited, a company registered in the United Kingdom. Evans Randall Limited is a company controlled by M D Evans, a director of the company.

The consolidated financial statements are available to the public from Companies House, Crown Way, Cardiff CF4 3UZ.