

DLJ DIRECT LIMITED

Report and Accounts

31 October 2004



DLJ Direct Limited

Registered No. 3749535

DIRECTORS

M A Foulkes

P A Ireland

C J Bradley

SECRETARY

C J Bradley	Resigned	16 th January 2004
J Lader	Appointed	16 th January 2004

AUDITORS

Ernst & Young LLP

1 More London Place

London

SE1 2AF

REGISTERED OFFICE

Exchange Court

Duncombe Street

Leeds

LS1 4AX

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 October 2004.

PRINCIPAL ACTIVITIES, RESULTS AND DIVIDENDS

There have been no financial transactions in the year. The directors do not recommend the payment of a dividend.

DIRECTORS AND THEIR INTERESTS

The directors of the company during the year are listed below:

M A Foulkes	Appointed	19 th July 2004
T Pinnington	Resigned	19 th July 2004
P A Ireland		
L Arnett	Resigned	5 th January 2004
C J Bradley		

None of the directors held any disclosable interest in the shares of the company.

AUDITORS


A resolution to re-appoint Ernst and Young LLP as the companies auditor will be put to the forthcoming Annual General Meeting.

On behalf of the board

Director



Date



STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

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 and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies 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 accounts; and
- 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. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DLJ DIRECT LIMITED

We have audited the company's financial statements for the year ended 31 October 2004, which comprise the Balance Sheet and the related notes 1 to 7. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, 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 members those matters we are required to state to them in an auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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 United Kingdom law and accounting standards.

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

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 transactions with the company 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 United Kingdom 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 affairs of the company as at 31 October 2004 and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP
Registered Auditor
London

Date 27 Jan 2005

DLJ Direct Limited

BALANCE SHEET

at 31 October 2004

		31 October 2004 £000	31 October 2003 £000
	Notes		
CURRENT ASSETS			
Debtors		-	-
Cash at bank and in hand		-	-
		<u>-</u>	<u>-</u>
CREDITORS: amounts falling due within one year		-	-
		<u>-</u>	<u>-</u>
NET ASSETS		-	-
		<u>-</u>	<u>-</u>
CAPITAL AND RESERVES			
Called up share capital	2	33,184	33,184
Capital redemption reserve	3	7,276	7,276
Profit and loss account	3	(40,460)	(40,460)
		<u>-</u>	<u>-</u>
TOTAL SHAREHOLDERS' FUNDS	3	-	-
		<u>-</u>	<u>-</u>

Director

M. Halliwell

Date

January 19, 2005

DLJ Direct Limited

NOTES TO THE ACCOUNTS at 31 October 2004

1. ACCOUNTING POLICIES

Basis of Preparation

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

2. CALLED UP SHARE CAPITAL

	31 October 2004 £000	31 October 2003 £000
Authorised: Ordinary shares of \$1 each (\$70,000,000)	48,133	48,133
	=====	=====
Allotted, called up and fully paid: Ordinary shares of \$1 each (\$48,259,942)	33,184	33,184
	=====	=====

During the prior period, the company reduced its share capital to 48,259,942 issued and fully paid \$1 shares from 70,000,000 issued and fully paid \$1 shares. The shares were repurchased for £7,673,054 total cash consideration.

3. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Capital Redemption Reserve £000	Share capital £000	Profit and loss account £000	Total share- holders' funds £000
At 1 November 2003	7,276	33,184	(40,460)	-
At 31 October 2004	7,276	33,184	(40,460)	-
	=====	=====	=====	=====

NOTES TO THE ACCOUNTS

at 31 October 2004

4. PROFIT AND LOSS ACCOUNT

The company has not traded during the year, has received no income or expenditure, and consequently has made neither a profit nor a loss.

5. CASH FLOW STATEMENT

The company has not traded during the year and has not undertaken any cash or non-cash transactions. Consequently, it has not disclosed a cash flow statement within these accounts.

6. RELATED PARTY TRANSACTIONS

There were no related party transactions, which require disclosure under Financial Reporting Standard No. 8.

7. PARENT UNDERTAKING AND CONTROLLING PARTY

The company's ultimate UK parent undertaking in the period was TD Waterhouse Investor Services (UK) Limited, a company incorporated in England.

DLJ Direct Limited is included within the UK consolidated accounts of TD Waterhouse Investor Services (UK) Ltd.

The company's ultimate parent company and controlling party is The Toronto-Dominion Bank, which is incorporated in Canada. Copies of the group financial statements may be obtained from:

Finance and Control Division
The Toronto-Dominion Bank
PO Box 1
Toronto Dominion Centre
King St. W and Bay St
Toronto
Ontario M5K 1A2
Canada