

**JIT SECURITIES LIMITED**

**DIRECTORS REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD  
ENDING 30 JUNE 2002**

**REGISTRATION NUMBER: 3955372**



# **JIT SECURITIES LIMITED**

## **DIRECTORS' REPORT**

The Directors submit their Report and Financial Statements for the period ended 30 June 2002.

## **RESULTS AND DIVIDENDS**

The Profit and Loss Account on page 4 gives details of the results for the year. The Directors do not recommend payment of a final dividend.

The Company was incorporated on 24 March 2000 under the name of Hartgrade Limited. This was changed to JIT Securites Limited on 18 August 2000.

In accordance with Sections 252 and 366A of the Companies Act 1985, resolutions to dispense with the obligations to lay Financial Statements before the members in general meetings and to hold Annual General Meetings were passed on 21 September 2001.

Accordingly the circulation of these Financial Statements to shareholders will be deemed to comply with the Company's obligation under Section 235 of the Companies Act 1985 to send copies of the Annual Financial Statements to members of the Company.

## **PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS**

The principal activity of the Company is to carry on business as an investment company.

## **DIRECTORS AND THEIR INTERESTS**

The Directors who held office during the period were as follows:

Martin Boase  
Geoffrey Howard-Spink

There are no Directors' interests to be disclosed under the Companies Act 1985. In accordance with Article 20 of the Articles of Association none of the Directors in office at the period end are required to retire. The interests of the Directors in the Share Capital of the parent Company are shown in the Financial Statements of that Company.

## **AUDITORS**

In accordance with Section 386 of the Companies Act 1985 a resolution to dispense with the obligation to appoint Auditors annually was passed on 21 September 2001. Accordingly, Ernst & Young LLP shall be deemed to have been reappointed as Auditors from 1 July 2002.

## **BY ORDER OF THE BOARD**



PP **SINCLAIR HENDERSON LIMITED**  
Secretary

31 March 2003

## **JIT SECURITIES LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

Company law requires the Directors to prepare Financial Statements for each financial period which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of the profit and loss of the Company for that period. In preparing those Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether the Financial Statements have been prepared in accordance with applicable accounting standards and disclose particulars of any material departure from those standards and the reasons for it; and
- prepare the Financial Statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that the Financial Statements comply with the above requirements.

The Directors are responsible for keeping proper accounting records which are sufficient to disclose with reasonable accuracy, at any time, the financial position of the Company and which enable Directors 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 for taking reasonable steps to prevent and detect fraud and other irregularities.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JIT SECURITIES LIMITED**

We have audited the company's financial statements for the year ended 30 June 2002 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 8. 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 30 June 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
**ERNST & YOUNG LLP**  
Registered Auditor  
Exeter

31 March 2003

**JIT SECURITIES LIMITED****PROFIT AND LOSS ACCOUNT**

for the year ended 30 June 2002

	Note	Year to 30 June 2002 £	Period from 24 March 2000 to 30 June 2001 £
<b>INCOME</b>			
Bank interest		163	40,133
Exchange gains			713
<b>PROFIT BEFORE INTEREST AND TAX</b>		163	40,846
Bank debit interest			31,116
<b>PROFIT BEFORE TAXATION</b>		163	31,116
<b>TAXATION</b>	3	(1,607)	(2,824)
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		(1,444)	6,906
Dividends		-	-
<b>RETAINED (LOSS)/PROFIT FOR THE PERIOD</b>		(1,444)	6,906

The Company had no recognised gains or losses for the year other than the loss as reported above.  
Turnover and operating profit all derive from continuing operations.

# JIT SECURITIES LIMITED

## BALANCE SHEET

At 30 June 2002

	Note	2002 £	2001 £
<b>CURRENT ASSETS</b>			
Amounts owed by parent undertaking		-	7,041
Cash at bank		8,582	-
		8,582	7,041
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			
Taxation payable		260	134
Amounts due to parent undertaking		2,497	-
		2,757	134
<b>NET ASSETS</b>			
		5,825	6,907
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital	4	1	1
Revenue reserve	5	5,462	6,906
Capital reserve	5	362	-
<b>SHAREHOLDERS' FUNDS</b>			
	6	5,825	6,907

These Financial Statements were approved by the Board on the 31 March 2003



Martin Boase

# JIT SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2002

### 1 ACCOUNTING POLICIES

The Financial Statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. The going concern principle has been applied on the assumption that New Star Investment Trust PLC will provide financial support to the Company.

The Company is a wholly owned subsidiary of a United Kingdom company and, therefore, it is exempt from the requirement under Financial Reporting Standard 1 to produce a Cashflow Statement.

### 2. DIRECTORS REMUNERATION AND EMPLOYMENT COSTS

The Directors received no emoluments in respect of their services to the Company. No Director has a contract of service with the Company. The Company has no other employees.

### 3. TAXATION

The charge for taxation is made up of the following :

	2002 £	2001 £
Corporation tax at 20%	33	2,824
Prior year adjustment	<u>1,574</u>	<u>-</u>
	<u>1,607</u>	<u>2,824</u>

The Company is subject to corporation tax at 20% (2001:20%). The current taxation charge in the Company's revenue account is higher than the standard rate of corporation tax in the UK (20%). The differences are explained below:

	2002 £	2001 £
Reconciliation of the tax charge for the year:		
Return on ordinary activities before taxation	<u>163</u>	<u>9,730</u>
Theoretical corporation tax at 20%	33	1,946
Effects of:		
- underprovision in respect of prior year	<u>1,574</u>	<u>878</u>
Current tax charge - revenue account	<u>1,607</u>	<u>2,824</u>

**JIT SECURITIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2002**

**4. SHARE CAPITAL**

	2002 £	2001 £
<b>Authorised:</b>		
1,000 Ordinary shares of £1	1,000	1,000
<b>Allotted, called up and fully paid:</b>		
1 Ordinary share of £1	1	1

**5. RESERVES**

	Capital reserve	Revenue reserve
At 1 July 2001	-	6,906
Exchange gains on revaluation of balances	362	-
Retained net loss for the year	-	(1,444)
At 30 June 2002	362	5,462

**6. RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS**

	2002 £	2001 £
Opening shareholders' funds	6,907	-
(Loss)/Profit for the period	(1,444)	6,906
Issue of shares	-	1
Movement in Capital reserve	362	-
Closing shareholders' funds	5,825	6,907

**7. ULTIMATE PARENT COMPANY**

The company is a wholly owned subsidiary of New Star Investment Trust PLC, which is registered in England and Wales. The consolidated Financial Statements are available to the public, on payment of the appropriate fee, from Companies Registration Office, Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

**8. RELATED PARTY TRANSACTIONS**

The Company has taken advantage of the exemptions from disclosure of transactions with group companies available to subsidiary undertakings under Financial Reporting Standard No. 8.