

# **Wickam Capital Limited**

**Report and Accounts**  
*30 November 2005*



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OFFICERS AND PROFESSIONAL ADVISERS

**The Board of Directors** Lord R A Innes Ker  
G J Dell  
Lady K C M Innes Ker

**Company Secretary** Y M Fong

**Registered Office** 4th Floor  
29-30 Cornhill  
London  
EC3V 3NF

**Auditors** Rees Pollock  
35 New Bridge Street  
London  
EC4V 6BW

**Bankers** Barclays Bank Plc  
11 Bruton Street  
London  
W1J 6LA

**Registered Number** 4061756

**DIRECTORS' REPORT**

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The directors present their report and the accounts of the company for the year ended 30 November 2005.

**Principal activities and business review**

The company is authorised and regulated by the Financial Services Authority (FSA).

The principal activity of the company during the period has been that of investment management business. The directors intend to expand the business further in the following year.

**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 accounts.

The directors have not recommended a dividend.

**The directors and their interests in the shares of the company**

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

		<b>Ordinary Shares of £1 each</b>	
		<b>At</b>	<b>At</b>
		<b>30 November 2005</b>	<b>1 December 2004 or later date of appointment</b>
E B Christian		56,500	56,500
Lord R A Innes Ker		56,500	56,500
G J Dell	(Appointed 23 September 2005)	—	—
Lady K C M Innes Ker	(Appointed 23 September 2005)	—	—
		<hr/>	<hr/>

E B Christian resigned as a director on 5 January 2006.

**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 and of the profit or loss of the company for that year.

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.

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

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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.

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'R A Innes Ker', written over a horizontal line.

R A Innes Ker  
Director  
22 March 2006



# REES POLLOCK

Chartered Accountants

35 New Bridge Street

London EC4V 6BW

Telephone 020 7778 7200

Fax 020 7329 6408

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WICKAM CAPITAL LIMITED**

We have audited the accounts on pages 5 to 13 which have been prepared under the historical cost convention and 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 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 shareholders 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 on page 2, the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

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

We report to you our opinion as to whether the accounts 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 accounts, 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 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 30 November 2005 and of its loss for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Rees Pollock  
Chartered Accountants  
Registered Auditors

29 March 2006

Wickam Capital Limited

**PROFIT AND LOSS ACCOUNT**  
for the year ended 30 November 2005

	<b>Note</b>	<b>2005 £</b>	<b>2004 £</b>
<b>TURNOVER</b>	<b>2</b>	334,602	739,234
Administrative expenses		410,419	689,996
<b>OPERATING (LOSS)/PROFIT</b>	<b>3</b>	(75,817)	49,238
Interest receivable		13,447	8,708
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(62,370)	57,946
Tax on (loss)/profit on ordinary activities	<b>6</b>	—	—
<b>(LOSS)/RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		(62,370)	57,946
Balance brought forward		(281,390)	(339,336)
Balance carried forward		(343,760)	(281,390)

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 13 form part of these accounts.

Wickam Capital Limited

BALANCE SHEET

at 30 November 2005

	Note	£	2005 £	2004 £
<b>FIXED ASSETS</b>				
Tangible assets	7		1,838	5,467
<b>CURRENT ASSETS</b>				
Debtors	8	11,189		55,974
Cash at bank and in hand		338,992		346,281
		350,181		402,255
<b>CREDITORS: amounts falling due within one year</b>	9	49,446		27,779
<b>NET CURRENT ASSETS</b>			300,735	374,476
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			302,573	379,943
<b>CREDITORS: amounts falling due after more than one year</b>	10		—	15,000
			302,573	364,943
<b>CAPITAL AND RESERVES</b>				
Called-up equity share capital	13		137,432	137,432
Share premium account	14		508,901	508,901
Profit and loss account			(343,760)	(281,390)
<b>SHAREHOLDERS' FUNDS</b>	15		302,573	364,943



R A Innes Ker  
Director  
22 March 2006

The notes on pages 8 to 13 form part of these accounts.

Wickam Capital Limited

**CASH FLOW STATEMENT**  
for the year ended 30 November 2005

	<b>Note</b>	<b>£</b>	<b>2005 £</b>	<b>2004 £</b>
<b>NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES</b>	<b>16</b>		<b>(5,736)</b>	<b>101,213</b>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>				
<i>Interest received</i>		<u>13,447</u>		<u>8,708</u>
<b>NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			<b>13,447</b>	<b>8,708</b>
<b>CAPITAL EXPENDITURE</b>				
Payments to acquire tangible fixed assets		<u>—</u>		<u>(1,862)</u>
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>			<b>—</b>	<b>(1,862)</b>
<b>CASH INFLOW BEFORE FINANCING</b>			<u><b>7,711</b></u>	<u><b>108,059</b></u>
<b>FINANCING</b>				
Repayment of subordinated loan		<u>(15,000)</u>		<u>—</u>
<b>NET CASH OUTFLOW FROM FINANCING</b>			<b>(15,000)</b>	<b>—</b>
<b>(DECREASE)/INCREASE IN CASH</b>	<b>17</b>		<u><b>(7,289)</b></u>	<u><b>108,059</b></u>

The notes on pages 8 to 13 form part of these accounts.





## NOTES TO THE ACCOUNTS

for the year ended 30 November 2005

**3. OPERATING (LOSS)/PROFIT**

Operating (loss)/profit is stated after charging:

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Depreciation of owned fixed assets	3,629	4,206
Auditors' remuneration		
- as auditors	5,850	6,600
- for other services	3,550	1,700
Operating lease costs:		
- land and buildings	42,289	62,231
Net loss on foreign currency translation	<u>19</u>	<u>11,604</u>

**4. PARTICULARS OF EMPLOYEES**

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

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

The aggregate payroll costs of the above were:

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Wages and salaries	279,821	458,861
Social security costs	24,825	56,737
	<u>304,646</u>	<u>515,598</u>

**5. DIRECTORS' EMOLUMENTS**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Emoluments	<u>134,769</u>	<u>246,471</u>

## NOTES TO THE ACCOUNTS

for the year ended 30 November 2005

**6. TAXATION ON ORDINARY ACTIVITIES**

Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year differs from the standard rate of corporation tax in the UK of 19% (2004 - 19%).

	2005 £	2004 £
(Loss)/profit on ordinary activities before taxation	(62,370)	57,946
Profit/(loss) on ordinary activities at 19%	(11,850)	11,010
Effects of:		
Expenses not deductible for tax calculation	1,535	20
Movement in difference between capital allowances and depreciation	674	424
Movement in losses carried forward	9,641	(11,454)
Total current tax	—	—

**7. TANGIBLE FIXED ASSETS**

	Office equipment £
Cost	
At 1 December 2004 and 30 November 2005	23,598
Depreciation	
At 1 December 2004	18,131
Charge for the year	3,629
At 30 November 2005	21,760
Net book value	
At 30 November 2005	1,838
At 30 November 2004	5,467

**8. DEBTORS**

	2005 £	2004 £
Trade debtors	5,121	13,049
VAT recoverable	2,167	1,146
Other debtors	256	10,911
Prepayments and accrued income	3,645	30,868
	11,189	55,974

## NOTES TO THE ACCOUNTS

for the year ended 30 November 2005

**9. CREDITORS: amounts falling due within one year**

	2005	2004
	£	£
Trade creditors	—	432
PAYE and social security	—	12,519
Other creditors	26,850	—
Accruals and deferred income	22,596	14,828
	<u>49,446</u>	<u>27,779</u>

**10. CREDITORS: amounts falling due after more than one year**

	2005	2004
	£	£
Subordinated loan	—	15,000

The FSA authorised the early repayment of the interest free subordinated loans provided by two of the directors, E B Christian and R A Innes Ker. The loans were repaid in June 2005.

**11. DEFERRED TAXATION**

No provision has been made in the accounts and the amounts unprovided at the end of the year are as follows:

	2005	2004
	£	£
Excess of taxation allowances over depreciation on fixed assets	(302)	(976)
Tax losses available	61,601	51,959
	<u>61,299</u>	<u>50,983</u>

The deferred tax asset has not been recognised due to the uncertainty of the timing of future profits.

**12. COMMITMENTS UNDER OPERATING LEASES**

At 30 November 2005 the company had annual commitments under non-cancellable operating leases as set out below.

	Land & Buildings	
	2005	2004
	£	£
Operating leases which expire:		
Within 1 year	—	23,815

## NOTES TO THE ACCOUNTS

for the year ended 30 November 2005

**13. SHARE CAPITAL**

Authorised share capital:

	2005	2004
	£	£
200,000 Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>

Allotted, called up and fully paid:

	2005		2004	
	No	£	No	£
Ordinary shares of £1 each	<u>137,432</u>	<u>137,432</u>	<u>137,432</u>	<u>137,432</u>

Options carrying the rights for holders to subscribe for Ordinary £1 shares were outstanding at 30 November 2005, as follows:

No. of shares	Dates between which option exercisable	Exercise price
3,054	20 May 2004 - 19 May 2012	£21.829294

During the year 764 of the options held under the Company's EMI scheme, with an exercise price of £29.759925, carrying the rights for Ordinary £1 shares lapsed.

On 17 November 2005 the directors passed a special resolution at an Extraordinary General Meeting approving an agreement for the repurchase of 35,000 Ordinary Shares of £1 each, representing 25.5% of the issued share capital, from E B Christian, a company director, for a consideration of £86,660, or £2.476 per share. The price per share was based on a formal valuation of the company at 30 August 2005. The shares were repurchased on 5 January 2006.

**14. SHARE PREMIUM ACCOUNT**

There was no movement on the share premium account during the financial year.

**15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2005	2004
	£	£
(Loss)/profit for the financial year	(62,370)	57,946
Opening equity shareholders' funds	<u>364,943</u>	<u>306,997</u>
Closing equity shareholders' funds	<u>302,573</u>	<u>364,943</u>

## NOTES TO THE ACCOUNTS

for the year ended 30 November 2005

**16. RECONCILIATION OF OPERATING (LOSS)/PROFIT TO  
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Operating (loss)/profit	(75,817)	49,238
Depreciation	3,629	4,206
Decrease in debtors	44,785	50,734
Increase/(decrease) in creditors	21,667	(2,965)
Net cash (outflow)/inflow from operating activities	<u>(5,736)</u>	<u>101,213</u>

**17. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
(Decrease)/increase in cash in the period	(7,289)	108,059
Net cash outflow from subordinated loan	<u>15,000</u>	<u>-</u>
	<u>7,711</u>	<u>108,059</u>
Change in net funds	7,711	108,059
Net funds at 1 December 2004	<u>331,281</u>	<u>223,222</u>
Net funds at 30 November 2005	<u>338,992</u>	<u>331,281</u>

**18. ANALYSIS OF CHANGES IN NET FUNDS**

	<b>At 1 Dec 2004</b>	<b>Cash flows</b>	<b>At 30 Nov 2005</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Net cash:			
Cash in hand and at bank	<u>346,281</u>	<u>(7,289)</u>	<u>338,992</u>
Debt:			
Debt due after 1 year	<u>(15,000)</u>	<u>15,000</u>	<u>-</u>
Net funds	<u>331,281</u>	<u>7,711</u>	<u>338,992</u>