

4061756

## **Wickam Capital Limited**

Report and Accounts  
*30 November 2003*



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OFFICERS AND PROFESSIONAL ADVISERS

**The Board of Directors** E B Christian  
Lord R A Innes Ker

**Company Secretary** E B Christian

**Registered Office** 7 Pilgrim Street  
London  
EC4V 6DR

**Auditors** Rees Pollock  
7 Pilgrim Street  
London  
EC4V 6DR

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

**Registered Number** 4061756

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DIRECTORS' REPORT

The directors present their report and the accounts of the company for the year ended 30 November 2003.

**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 (2002: £nil).

**The directors and their interests**

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

	Ordinary Shares of £1 each	
	At 30 November 2003	At 1 December 2002
E B Christian	56,500	56,500
Lord R A Innes Ker	<u>56,500</u>	<u>56,500</u>

**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 year and of the profit or loss for the year then ended.

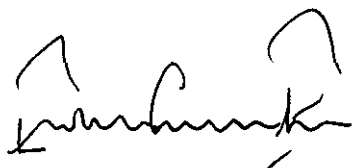
In preparing those accounts, the directors are required to select suitable accounting policies, as described on page 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the accounts on the going concern basis unless 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.

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'E B Christian', with a stylized flourish at the end.

E B Christian

Director

22nd March 2004



## REES POLLOCK

Chartered Accountants

7 Pilgrim Street  
London EC4V 6DR  
Telephone 020 7329 6404  
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 in the Statement of Directors' Responsibilities 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 2003 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Rees Pollock  
Chartered Accountants  
Registered Auditors

22 March 2004

Wickam Capital Limited

**PROFIT AND LOSS ACCOUNT**  
for the year ended 30 November 2003

	Note	2003 £	2002 £
<b>TURNOVER</b>	<b>2</b>	678,994	142,084
Administrative expenses		634,618	450,636
<b>OPERATING PROFIT/(LOSS)</b>	<b>3</b>	44,376	(308,552)
Interest receivable		6,498	7,189
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		50,874	(301,363)
Tax on profit/(loss) on ordinary activities	<b>6</b>	—	—
<b>RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		50,874	(301,363)
Balance brought forward		(390,210)	(88,847)
Balance carried forward		(339,336)	(390,210)

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

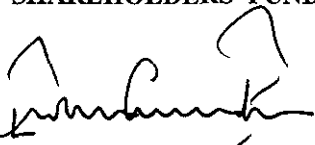
The company has no recognised gains or losses other than the results for the year as set out above.

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

Wickam Capital Limited

**BALANCE SHEET**  
at 30 November 2003

	Note	£	2003 £	2002 £
<b>FIXED ASSETS</b>				
Tangible assets	7		7,811	6,024
<b>CURRENT ASSETS</b>				
Debtors	8	106,708		24,739
Cash at bank and in hand		238,222		267,928
		344,930		292,667
<b>CREDITORS: amounts falling due within one year</b>	9	30,744		27,568
<b>NET CURRENT ASSETS</b>			314,186	265,099
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			321,997	271,123
<b>CREDITORS: amounts falling due after more than one year</b>	10		15,000	15,000
			306,997	256,123
<b>CAPITAL AND RESERVES</b>				
Called-up equity share capital	13		137,432	137,432
Share premium account			508,901	508,901
Profit and loss account			(339,336)	(390,210)
<b>SHAREHOLDERS' FUNDS</b>	14		306,997	256,123



E B Christian

Director

22nd March 2004

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

**CASH FLOW STATEMENT**

for the year ended 30 November 2003

	<b>Note</b>	<b>£</b>	<b>2003 £</b>	<b>2002 £</b>
<b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>	<b>15</b>		<b>(28,391)</b>	<b>(303,908)</b>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>				
Interest received		<u>6,498</u>		<u>7,189</u>
<b>NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			<b>6,498</b>	<b>7,189</b>
<b>CAPITAL EXPENDITURE</b>				
Payments to acquire tangible fixed assets		<u>(7,813)</u>		<u>(2,834)</u>
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>			<b>(7,813)</b>	<b>(2,834)</b>
<b>CASH OUTFLOW BEFORE FINANCING</b>			<b>(29,706)</b>	<b>(299,553)</b>
<b>FINANCING</b>				
Issue of equity share capital		—		24,432
Share premium on issue of equity share capital		<u>—</u>		<u>508,901</u>
<b>NET CASH INFLOW FROM FINANCING</b>			<b>—</b>	<b>533,333</b>
<b>(DECREASE)/INCREASE IN CASH</b>	<b>16</b>		<b>(29,706)</b>	<b>233,780</b>

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



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NOTES TO THE ACCOUNTS

for the year ended 30 November 2003

**1. ACCOUNTING POLICIES**

**Basis of accounting**

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

**Turnover**

The turnover shown in the profit and loss account represents the amount of services provided during the period, stated net of value added tax.

**Fixed assets**

All fixed assets are initially recorded at cost.

**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:

Office equipment - over 3 years

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

**Deferred taxation**

Deferred taxation is provided on all timing differences, without discounting, calculated at the rate at which it is estimated that tax will be payable, except where otherwise required by accounting standards.

**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. All exchange differences are taken to the profit and loss account.

**2. TURNOVER**

The turnover shown in the profit and loss account represents the value of services provided during the year, stated net of value added tax.

**NOTES TO THE ACCOUNTS**

for the year ended 30 November 2003

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

Operating profit/(loss) is stated after charging/(crediting):

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Depreciation of owned fixed assets	5,994	4,356
Loss on disposal of fixed assets	32	—
Auditors' remuneration		
- as auditors	5,050	4,800
- for other services	1,900	2,200
Operating lease costs:		
- land and buildings	52,169	29,657
Net loss/(profit) on foreign currency translation	<u>2,020</u>	<u>(755)</u>

**4. PARTICULARS OF EMPLOYEES**

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

	<b>2003</b>	<b>2002</b>
	<b>No</b>	<b>No</b>
Number of staff	<u>5</u>	<u>4</u>

The aggregate payroll costs of the above were:

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Wages and salaries	408,890	270,406
Social security costs	48,807	29,093
	<u>457,697</u>	<u>299,499</u>

**5. DIRECTORS' EMOLUMENTS**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Emoluments	<u>262,280</u>	<u>214,667</u>

Emoluments of highest paid director:

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Total emoluments (excluding pension contributions):	<u>131,148</u>	<u>107,336</u>

## NOTES TO THE ACCOUNTS

for the year ended 30 November 2003

**6. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES**

Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year differs from the standard rate of corporation tax in the UK of 19% (2002 - 20%).

	2003 £	2002 £
Profit/(loss) on ordinary activities before taxation	50,874	(301,363)
Profit/(loss) on ordinary activities at 20%	9,666	(60,273)
Effects of:		
Expenses not deductible for tax calculation	293	160
Movement in difference between capital allowances and depreciation	(269)	319
Movement in losses carried forward	(9,690)	59,794
Total current tax	—	—

**7. TANGIBLE FIXED ASSETS**

	Office equipment £
Cost	
At 1 December 2002	14,133
Additions	7,813
Disposals	(76)
At 30 November 2003	21,870
Depreciation	
At 1 December 2002	8,109
Charge for the year	5,994
On disposals	(44)
At 30 November 2003	14,059
Net book value	
At 30 November 2003	7,811
At 30 November 2002	6,024

**8. DEBTORS**

	2003 £	2002 £
Trade debtors	78,003	10,096
VAT recoverable	1,131	176
Other debtors	11,975	5,330
Prepayments and accrued income	15,599	9,137
	106,708	24,739

## NOTES TO THE ACCOUNTS

for the year ended 30 November 2003

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

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Trade creditors	370	620
PAYE and social security	13,684	12,376
Other creditors	—	189
Accruals and deferred income	16,690	14,383
	<u>30,744</u>	<u>27,568</u>

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

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Subordinated loan	<u>15,000</u>	<u>15,000</u>

The loans are provided by the directors and are for a period of at least five years. They are repayable early only with the permission of FSA. There is no interest charged on the loans.

**11. DEFERRED TAXATION**

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

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Excess of taxation allowances over depreciation on fixed assets	(1,400)	(1,190)
Tax losses available	63,413	76,951
	<u>62,013</u>	<u>75,761</u>

**12. COMMITMENTS UNDER OPERATING LEASES**

At 30 November 2003 the company had annual commitments under non-cancellable operating leases as set out below:

	<b>Land &amp; buildings</b>	
	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Operating leases which expire:		
Within 1 year	<u>28,950</u>	<u>—</u>

## NOTES TO THE ACCOUNTS

for the year ended 30 November 2003

**13. SHARE CAPITAL**

Authorised share capital:

	2003	2002
	£	£
200,000 Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>

Allotted, called up and fully paid:

	2003		2002	
	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 2003, 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 options were issued under the Company's EMI scheme, carrying the rights for Ordinary £1 shares, as follows:

No. of shares	Dates between which option exercisable	Exercise price
3,818	25 November 2005 - 25 November 2013	£29.759925

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

	2003	2002
	£	£
Profit/(loss) for the financial year	50,874	(301,363)
New equity share capital subscribed	—	24,432
Premium on new share capital subscribed	—	508,901
	<u>—</u>	<u>533,333</u>
Net addition to funds	50,874	231,970
Opening equity shareholders' funds	256,123	24,153
Closing equity shareholders' funds	<u>306,997</u>	<u>256,123</u>

## NOTES TO THE ACCOUNTS

for the year ended 30 November 2003

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

	2003	2002
	£	£
Operating profit/(loss)	44,376	(308,552)
Depreciation	5,994	4,356
Loss on disposal of fixed assets	32	—
Increase in debtors	(81,969)	(8,304)
Increase in creditors	3,176	8,592
Net cash outflow from operating activities	<u>(28,391)</u>	<u>(303,908)</u>

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

	2003	2002
	£	£
(Decrease)/increase in cash in the period	(29,706)	233,780
Change in net funds	(29,706)	233,780
Net funds at 1 December 2002	252,928	19,148
Net funds at 30 November 2003	<u>223,222</u>	<u>252,928</u>

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

	At 1 Dec 2002 £	Cash flows £	At 30 Nov 2003 £
Net cash:			
Cash in hand and at bank	267,928	(29,706)	238,222
Debt:			
Debt due after 1 year	(15,000)	—	(15,000)
Net funds	<u>252,928</u>	<u>(29,706)</u>	<u>223,222</u>