

401276

Mourant & Co Capital (SPV) Limited

Reports and Accounts

For the year ended 30 September 2003



REPORT OF THE DIRECTORS

The directors present their annual report to the members together with the audited accounts for the year ended 30 September 2003.

INCORPORATION.

The company was incorporated in England and Wales on 18th October 2000, Company No. 4092438.

ACTIVITIES.

The principal activity of the company is the provision of trustee and administration services.

RESULTS AND DIVIDENDS.

The net loss for the year is shown on page 4.

The directors are unable to recommend the payment of a dividend.

DIRECTORS.

The directors who held office during the year and subsequently were:-

M.R. Bonsall	(resigned 22 January 2003)
N.C. Bradley	
J.A.J. Chapman	
N.C. Davies	
I. James	
J. Rigby	(appointed 11 December 2003)
R. Short	(appointed 22 January 2003)
J. Walker	(resigned 11 December 2003)
R. Walker	

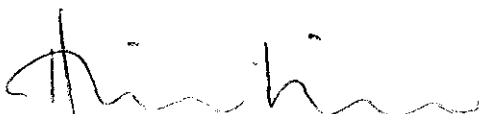
AUDITORS.

Ernst & Young LLP have expressed their willingness to continue in office.

REGISTERED OFFICE.

4 Royal Mint Court
London
United Kingdom
EC3N 4HJ

BY ORDER OF THE BOARD.



Authorised Signatory
Mourant & Co. Capital Secretaries Limited
Secretary

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

UK Company Law requires the directors to prepare accounts which shall be in accordance with generally accepted accounting principles and show a true and fair view of the profit or loss of the company for the period and of the state of the company's affairs at the end of the period.

In preparing the accounts the directors should:

- * *select suitable accounting policies and then apply them consistently;*
- * *make judgements and estimates that are reasonable and prudent;*
- * *prepare the accounts on a going concern basis unless it is inappropriate to presume that the company will continue in business.*

The directors are responsible for keeping accounting records which are sufficient to show and explain the company's transactions and are such to 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 UK 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, errors and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOURANT & CO CAPITAL (SPV) LIMITED

We have audited the company's accounts for the year ended 30 September 2003, which comprise Profit and Loss Account, Balance Sheet, Statement of Total Recognised Gains and Losses and the related notes 1 to 12. These accounts 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 accounts in accordance with United Kingdom law and 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 affairs of the company as at 30 September 2003 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
Jersey, Channel Islands

Date: *30 January 2004*

Mourant & Co Capital (SPV) Limited

PROFIT AND LOSS ACCOUNT

For the year ended 30 September 2003

	<u>Note</u>	<u>2003</u> £	<i>restated</i> <u>2002</u> £
FEE INCOME		280,609	252,736
OPERATING EXPENDITURE	3	(402,887)	(331,069)
OPERATING LOSS		(122,278)	(78,333)
OTHER INCOME		10,041	3,707
FINANCE CHARGES NET	4	228	130
LOSS FOR THE YEAR		(112,009)	(74,496)

	<u>2003</u> £	<i>restated</i> <u>2002</u> £
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES		
Total recognised loss relating to the year	(112,009)	(74,496)
Prior year adjustment (as explained in note 2)	30,913	
Total recognised gains since last annual report	(81,096)	

**Profit and Loss
Account
2003
£**

MOVEMENT ON RESERVES

At beginning of year as previously stated	(129,849)
Prior year adjustment (as explained in note 2)	30,913
At beginning of year as restated	(98,936)
Loss for the year	(112,009)
At end of year	(210,945)

BALANCE SHEET

As at 30 September 2003

	<u>Notes</u>	<u>2003</u> £	<i>restated</i> <u>2002</u> £
CURRENT ASSETS			
Work in progress		70,944	30,913
Debtors	5	956,464	290,726
Bank balances		2,353	16,498
		<u>1,029,761</u>	<u>338,137</u>
CREDITORS - amounts falling due within one year			
Creditors	6	(1,240,705)	(437,072)
NET LIABILITIES		<u>(210,944)</u>	<u>(98,935)</u>
CAPITAL DEFICIT			
Called up share capital	7	1	1
Profit and loss account		(210,945)	(98,936)
		<u>(210,944)</u>	<u>(98,935)</u>

Approved by the Directors on the 29 day of January 2004.

Director: 

NOTES TO THE ACCOUNTS

For the year ended 30 September 2003

1. FUNDAMENTAL ACCOUNTING CONCEPT

The company is dependent on continuing finance being made available from other group entities. Continuing finance is required both to enable the company to meet its liabilities as they fall due and to continue operating without immediate realisation of all its assets.

The directors believe that continuing finance will be available and that it is therefore appropriate to prepare the accounts on a going concern basis.

2. ACCOUNTING POLICIES

Accounting principles

These accounts have been prepared under the historical cost convention and in accordance with United Kingdom accounting standards.

Work in progress - change in accounting policy

In the prior year, Mourant & Co Capital (SPV) Limited did not account for work in progress in their financial statements. For the year ended 30 September 2003, work in progress has been brought into account, resulting in an increase to the current year's fee income of £40,031.

A prior year adjustment has been made to restate the comparative figures for 2002, resulting in a decrease to fee income in 2002 of £4,649. The inclusion of work in progress has also resulted in an adjustment of £30,913 to the profit and loss reserve for the year ended 30 September 2002.

Work in progress, representing time charges of professional staff, is stated at the lower of cost and net realisable value.

Fees

Fees including WIP movement, representing the provision of trustee and administration services are recognised on an accruals basis.

Cash flow statement

The company is exempt from preparing a cash flow under FRS1 on the grounds of size.

Related party transactions

The company is exempt from disclosing related party transactions with other group entities as it is a wholly owned subsidiary of Mourant Holdings Limited, a company which itself is a wholly owned subsidiary of the Mourant Group partnership, which prepares consolidated accounts.

Nominee and Trustee Transactions

The company acts as nominee and trustee and therefore has securities and bank accounts, registered in its name, of which it is not the beneficial owner and which are not reflected in these accounts.

3. OPERATING EXPENDITURE

All expenses are actually incurred by related entities and are then recharged to the company.

	<u>2003</u>	<u>2002</u>
	£	£
Mourant Services (UK) Limited Staff and other costs	402,887	289,710
Mourant Services Limited - Staff and other costs	-	41,359
	<u>402,887</u>	<u>331,069</u>

NOTES TO THE ACCOUNTS

For the year ended 30 September 2003

4. FINANCE CHARGES - NET	<u>2003</u>	<u>2002</u>
	£	£
Bank and other interest paid	(22)	(52)
Bank interest receivable	250	182
	<u>228</u>	<u>130</u>

5. DEBTORS AND PREPAYMENTS	<u>2003</u>	<u>2002</u>
	£	£
Trade debtors and prepayments	87,206	178,682
Amounts due from related entities	869,258	112,044
	<u>956,464</u>	<u>290,726</u>

6. CREDITORS	<u>2003</u>	<u>2002</u>
	£	£
Amount payable to related entities	1,139,312	331,068
Other creditors	39,831	32,129
Upfront fees	61,562	73,875
	<u>1,240,705</u>	<u>437,072</u>

7. CALLED UP SHARE CAPITAL	<u>2003</u>	<u>2002</u>
	£	£
AUTHORISED:		
1,000 ordinary shares of £1 each	1,000	1,000
ISSUED AND FULLY PAID:		
1 ordinary shares of £1 each	1	1

8. PENSION FUND

The Mourant Group partnership operates a money purchase scheme that is open to certain eligible employees. Contributions to the scheme are charged to the profit and loss account of Mourant Services UK Limited, on an accruals basis. Contributions are then recharged to other group companies through a service charge.

9. AUDITORS' REMUNERATION

The company's audit fee has been paid by Mourant Services Limited as part of the Mourant Group partnership audit fee, and recharged to the company.

10. TAXATION

The company is liable to UK taxation on taxable profit. No liability arises in respect of the year ended 30 September 2003 as the company has made a loss.

11. DIRECTORS' REMUNERATION

None of the directors received any fees or remuneration for services as a director of the company during the financial year (2002 - nil).

12. PARENT UNDERTAKING AND CONTROLLING PARTY

The company is wholly owned by Mourant Holdings Limited. In the director's opinion, the company's ultimate parent undertaking and controlling party is the Mourant Group partnership.