

Company Registration No. 4989876 (England and Wales)

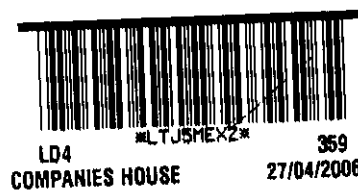


**AURIGA INTERNATIONAL ADVISERS UK LIMITED**

**DIRECTORS' REPORT**

**AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2005**



**GERALD EDELMAN**  
CHARTERED ACCOUNTANTS

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# AURIGA INTERNATIONAL ADVISERS UK LIMITED

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# AURIGA INTERNATIONAL ADVISERS UK LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2005

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The directors present their report and financial statements for the year ended 31 December 2005.

### Principal activities and review of the business

The principal activity of the company during the financial year remained that of Investment Advisers.

### Results and dividends

The results for the year are set out on page 5.

### Directors

The following directors have held office since 1 January 2005:

J.E.C. Phillips  
J. Rauber  
J. Michael Rauber

### Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 December 2005	1 January 2005
J.E.C. Phillips	-	-
J. Rauber	-	-
J. Michael Rauber	-	-

### Auditors

Gerald Edelman were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

# AURIGA INTERNATIONAL ADVISERS UK LIMITED

## **DIRECTORS' REPORT (CONTINUED)** **FOR THE YEAR ENDED 31 DECEMBER 2005**

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### **Directors' responsibilities**


Company law requires the directors to prepare financial statements 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 financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements 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 enable them to ensure that the financial statements 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.

On behalf of the board

J.E.C. Phillips  
Director  
7 March 2006



# **AURIGA INTERNATIONAL ADVISERS UK LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AURIGA INTERNATIONAL ADVISERS UK LIMITED**

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We have audited the financial statements of Auriga International Advisers UK Limited for the year ended 31 December 2005 set out on pages 5 to 14. These financial statements have been prepared in accordance with 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 the directors and auditors**

As described in the Statement of Directors' Responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 or 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 International Standards on Auditing (UK and Ireland) 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.

# AURIGA INTERNATIONAL ADVISERS UK LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF AURIGA INTERNATIONAL ADVISERS UK LIMITED

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### Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



7 March 2006

Chartered Accountants  
Registered Auditor

Gerald Edelman  
25 Harley Street  
London  
W1G 9BR

# AURIGA INTERNATIONAL ADVISERS UK LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2005

	Notes	2005 £	2004 £
Turnover	2	243,766	102,512
Administrative expenses		(225,060)	(188,193)
<b>Operating profit/(loss)</b>	<b>3</b>	<b>18,706</b>	<b>(85,681)</b>
Other interest receivable and similar income	4	88	61
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>18,794</b>	<b>(85,620)</b>
Tax on profit/(loss) on ordinary activities	5	-	-
<b>Profit/(loss) on ordinary activities after taxation</b>	<b>11</b>	<b>18,794</b>	<b>(85,620)</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

# AURIGA INTERNATIONAL ADVISERS UK LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2005

	Notes	2005 £	£	2004 £	£
<b>Fixed assets</b>					
Tangible assets	6		4,064		6,538
<b>Current assets</b>					
Debtors	7	55,573		49,281	
Cash at bank and in hand		6,068		5,809	
		<u>61,641</u>		<u>55,090</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(32,431)</u>		<u>(47,148)</u>	
<b>Net current assets</b>			29,210		7,942
<b>Total assets less current liabilities</b>			<u>33,274</u>		<u>14,480</u>
<b>Capital and reserves</b>					
Called up share capital	10	100,100		100,100	
Profit and loss account	11	(66,826)		(85,620)	
<b>Shareholders' funds - equity interests</b>	12	<u>33,274</u>		<u>14,480</u>	

The financial statements were approved by the Board on 7 March 2006

J.E.C. Phillips  
Director



J. Michael Rauber  
Director





# AURIGA INTERNATIONAL ADVISERS UK LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2005

	£	2005 £	£	2004 £
Net cash inflow/(outflow) from operating activities		311		(86,616)
Returns on investments and servicing of finance				
Interest received	88		61	
	<u>88</u>		<u>61</u>	
Net cash inflow for returns on investments and servicing of finance		88		61
Capital expenditure				
Payments to acquire tangible assets	(140)		(7,736)	
	<u>(140)</u>		<u>(7,736)</u>	
Net cash outflow for capital expenditure		(140)		(7,736)
		<u>259</u>		<u>(94,291)</u>
Net cash inflow/(outflow) before management of liquid resources and financing		259		(94,291)
Financing				
Issue of ordinary share capital	-		100,100	
	<u>-</u>		<u>100,100</u>	
Net cash (outflow)/inflow from financing		-		100,100
		<u>259</u>		<u>5,809</u>
Increase in cash in the year		<u>259</u>		<u>5,809</u>

# AURIGA INTERNATIONAL ADVISERS UK LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2005

<b>1</b>	<b>Reconciliation of operating profit/(loss) to net cash (outflow)/inflow from operating activities</b>				<b>2005</b>
					<b>£</b>
	Operating profit/(loss)				18,706
	Depreciation of tangible assets				2,614
	Increase in debtors				(6,292)
	(Decrease)/Increase in creditors within one year				(14,717)
	<b>Net cash (outflow)/inflow from operating activities</b>				<b>311</b>
<b>2</b>	<b>Analysis of net funds</b>	<b>1 January 2005</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>	<b>31 December 2005</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Net cash:				
	Cash at bank and in hand	5,809	259	-	6,068
	Net funds	5,809	259	-	6,068
<b>3</b>	<b>Reconciliation of net cash flow to movement in net funds</b>				<b>2005</b>
					<b>£</b>
	Increase in cash in the year				259
	<b>Movement in net funds in the year</b>				<b>259</b>
	Opening net funds				5,809
	<b>Closing net funds</b>				<b>6,068</b>

# AURIGA INTERNATIONAL ADVISERS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2 Turnover

Turnover represents amounts receivable for services net of VAT and trade discounts.

#### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	over 3 years straight line
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#### 1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.5 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

#### 1.6 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

#### 1.7 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

### 2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit/(loss)	2005	2004
	£	£
Operating profit/(loss) is stated after charging:		
Depreciation of tangible assets	2,614	1,198
Operating lease rentals	10,050	16,250
Auditors' remuneration	7,435	-
	<u>          </u>	<u>          </u>

# AURIGA INTERNATIONAL ADVISERS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

4 Investment income	2005 £	2004 £
Bank interest	88	61
5 Taxation	2005	2004
Current tax charge	-	-
Factors affecting the tax charge for the year		
Profit/(loss) on ordinary activities before taxation	18,794	(85,620)
Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2004: 0.00%)	3,571	-
Effects of:		
Non deductible expenses	78	-
Depreciation add back	496	-
Capital allowances	(374)	-
Tax losses utilised	(3,754)	-
Other tax adjustments	(17)	-
	(3,571)	-
Current tax charge	-	-

# AURIGA INTERNATIONAL ADVISERS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

### 6 Tangible fixed assets

	Fixtures, fittings & equipment £
<b>Cost</b>	
At 1 January 2005	7,736
Additions	140
	<hr/>
At 31 December 2005	7,876
	<hr/>
<b>Depreciation</b>	
At 1 January 2005	1,198
Charge for the year	2,614
	<hr/>
At 31 December 2005	3,812
	<hr/>
<b>Net book value</b>	
At 31 December 2005	4,064
	<hr/>
At 31 December 2004	6,538
	<hr/>

### 7 Debtors

	2005 £	2004 £
Other debtors	222	7,662
Prepayments and accrued income	55,351	41,619
	<hr/>	<hr/>
	55,573	49,281
	<hr/>	<hr/>

### 8 Creditors: amounts falling due within one year

	2005 £	2004 £
Amounts owed to parent and fellow subsidiary undertakings	28,931	47,148
Accruals and deferred income	3,500	-
	<hr/>	<hr/>
	32,431	47,148
	<hr/>	<hr/>

# AURIGA INTERNATIONAL ADVISERS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

### 9 Pension costs

#### Defined contribution

	2005 £	2004 £
Contributions payable by the company for the year	6,050	6,600

### 10 Share capital

	2005 £	2004 £
<b>Authorised</b>		
110,000 Ordinary shares of £1 each	110,000	110,000
<b>Allotted, called up and fully paid</b>		
100,100 Ordinary shares of £1 each	100,100	100,100

### 11 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2005	(85,620)
Retained profit for the year	18,794
Balance at 31 December 2005	(66,826)

### 12 Reconciliation of movements in shareholders' funds

	2005 £	2004 £
Profit/(Loss) for the financial year	18,794	(85,620)
Proceeds from issue of shares	-	100,100
Net addition to shareholders' funds	18,794	14,480
Opening shareholders' funds	14,480	-
Closing shareholders' funds	33,274	14,480

# AURIGA INTERNATIONAL ADVISERS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

### 13 Financial commitments

At 31 December 2005 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2006:

	Land and buildings	
	2005	2004
	£	£
Operating leases which expire:		
Within one year	-	6,050

### 14 Directors' emoluments

	2005	2004
	£	£
Emoluments for qualifying services	137,891	110,213
Company pension contributions to money purchase schemes	6,050	6,600
	143,941	116,813

### 15 Employees

#### Number of employees

There were no employees during the year apart from the directors.

Employment costs	2005	2004
	£	£
Wages and salaries	137,891	110,213
Social security costs	16,628	13,383
Other pension costs	6,050	6,600
	160,569	130,196

### 16 Control

The ultimate controlling party is Mr J. Rauber, the majority shareholder in the parent company Auriga International Advisers Limited.

# **AURIGA INTERNATIONAL ADVISERS UK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005**

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### **17 Related party transactions**

Included in creditors is £28,931 (2004: £47,148) owed to Auriga International Advisers Limited, a company incorporated in the British Virgin Islands. Auriga International Advisers Limited is the parent company of Auriga International Advisers UK Limited and owns the entire issued share capital of the company.