

# SMITH PEARMAN

CHARTERED ACCOUNTANTS

Hurst House, High Street, Ripley, Surrey GU23 6AY

Tel 01483 225457 Fax 01483 211023

E-mail [general@smithpearman.com](mailto:general@smithpearman.com)

Web Site [www.smithpearman.com](http://www.smithpearman.com)

Board of Directors  
City & Merchant Group PLC  
Warnford Court  
Throgmorton Street  
London  
EC2N 2AT

5610172

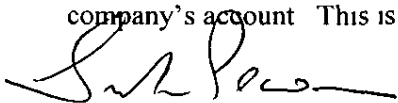
## STATEMENT OF CIRCUMSTANCES RELATING TO:

### THE RESIGNATION OF SMITH PEARMAN AS AUDITORS OF CITY & MERCHANT GROUP PLC AND SUBSIDIARY COMPANIES

In accordance with section 519 of the Companies Act 2006, we consider the following circumstances connected with our ceasing to hold office should be brought to the attention of the members and creditors

- 1 We have not received all the information and explanations from the directors that we consider necessary to enable us to complete our audit on the accounts of the group for the year ended 30<sup>th</sup> September 2007
- 2 Normal communication with the directors has broken down
- 3 There are long outstanding unpaid interim audit fees

Unless the company applies to the court, this statement of circumstances, which we consider should be brought to the attention of members and creditors of the company must be sent within 14 days to every person entitled under section 423 of the Companies Act 2006 to be sent copies of the company's account. This is a requirement of section 519 of the Act

  
Smith Pearman  
Registered Auditors

Hurst House  
High Street  
Ripley  
Surrey  
GU23 6AY

4<sup>th</sup> September 2008

SATURDAY



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27/09/2008

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COMPANIES HOUSE

A list of directors can be inspected at the company's registered office above

Smith Pearman is the trading name of Smith Pearman Limited incorporated in England No 5479087

Registered to carry on audit work and regulated for a range of investment business activities by The Institute of Chartered Accountants in England & Wales

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Companies House  
Crown Way  
Maindy  
Cardiff  
CF4 3UZ

26<sup>th</sup> September 2008

Our Ref CML000/KJH

Dear Sirs

## CITY & MERCHANT GROUP PLC AND SUBSIDIARY COMPANIES

<i>CITY &amp; MERCHANT GROUP PLC</i>	<i>05610172</i>
<i>CITY &amp; MERCHANT HOLDINGS LTD</i>	<i>04038294</i>
<i>CITY &amp; MERCHANT PARTNERS LTD</i>	<i>05494688</i>
<i>CITY &amp; MERCHANT EQUITIES LTD</i>	<i>4461659</i>
<i>CITY &amp; MERCHANT CORPORATE FINANCE LTD</i>	<i>02723832</i>
<i>CITY &amp; MERCHANT FINANCE LTD</i>	<i>5565520</i>

As required by Section 521 Companies Act 2006, we enclose a copy of our statement under Section 519 regarding our resignation as auditors to the group

Yours faithfully  
**SMITH PEARMAN**



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A list of directors can be inspected at the company's registered office above

Smith Pearman is the trading name of Smith Pearman Limited incorporated in England No 1390181 Companies House - statement doc  
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