

5169106+

INDEPENDENT PORTFOLIO MANAGERS LIMITED

FINANCIAL STATEMENTS

For the Period from incorporation

7<sup>TH</sup> MARCH 1996 to 31<sup>ST</sup> March 1997

FINEGALE SERVICES LIMITED



INDEPENDENT PORTFOLIO MANAGERS LIMITED

FINANCIAL STATEMENTS

31<sup>ST</sup> MARCH 1997

INDEX

|                                      |            |
|--------------------------------------|------------|
| <b>Company information</b>           | <b>1</b>   |
| <b>Report of the Directors</b>       | <b>2</b>   |
| <b>Profit and Loss Account</b>       | <b>3</b>   |
| <b>Balance Sheet</b>                 | <b>4</b>   |
| <b>Notes on Financial Statements</b> | <b>5/6</b> |

**INDEPENDENT PORTFOLIO MANAGERS LIMITED**

**COMPANY INFORMATION**

**31<sup>ST</sup> MARCH 1997**

**Directors**

**A P Curtis  
M R Ingram  
A J Stokes  
F B Hyland  
C G Warburton**

**Secretary**

**F B Hyland**

**Registered Office**

**Morrell House  
98 Curtain Road  
London  
EC2A 3AA**

**Registered Number**

**3169067**

**Bankers**

**Royal Bank Of Scotland  
London City Office  
62-63 Threadneedle Street  
London  
EC2R 8LA**

INDEPENDENT PORTFOLIO MANAGERS LIMITEDREPORT OF THE DIRECTORS

The Director's present their report and the accounts of the Company from the date of incorporation, 7<sup>th</sup> March 1996 to 31<sup>st</sup> March 1997

**PRINCIPLE ACTIVITY**

The Company was formed to conduct investment management and related business.

**REVIEW OF BUSINESS**

A summary of the results for the Period is given on page 3 of the accounts.

**DIRECTORS**

The Directors in office in the Period under review and their beneficial interests in the Company's issued share capital are as shown below:

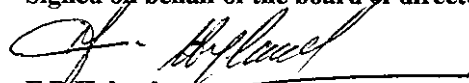
|                     | Appointed   | Ordinary Shares<br>of £1 each |           |
|---------------------|---|-------------------------------|-----------|
|                     |   | 7.3.1996                      | 31.3.1997 |
| A P Curtis          | 7 <sup>th</sup> March 1996  | -                             | -         |
| M R Ingram          | 19 <sup>th</sup> August 1996                                      | -                             | -         |
| A J Stokes          | 1 <sup>st</sup> August 1996                                       | -                             | -         |
| F B Hyland          | 7 <sup>th</sup> June 1996   | -                             | -         |
| C G Warburton       | 9 <sup>th</sup> September 1996                                    | -                             | -         |
| DMCS Directors Ltd. | 7 <sup>th</sup> March 1996<br>(resign 7 <sup>th</sup> March 1996) | 1                             | -         |

**SUBSEQUENT EVENTS**

On 23<sup>rd</sup> May 1997 The Investors Partnership Limited ("TIP") subscribed for an additional 99,999 ordinary shares of £1 each, at par, in the capital of the Company. On the same date the Company entered into a subordinated loan agreement with TIP under which TIP has advanced a sum of £20,000 to the Company as additional working capital.

On 30<sup>th</sup> May 1997 the Company received authorisation from the Investment Management Regulatory Organisation to conduct permitted Investment Business.

Signed on behalf of the board of directors



F B Hyland  
Company Secretary

5<sup>th</sup> January 1998

INDEPENDENT PORTFOLIO MANAGERS LIMITEDPROFIT & LOSS ACCOUNTFROM PERIOD OF INCORPORATION, 7<sup>TH</sup> March 1996 TO 31<sup>ST</sup> MARCH 1997

|                                | NOTES | 1997<br>£ |
|--------------------------------|-------|-----------|
| Turnover                       |       | 0         |
| Administration                 |       | 3070      |
|                                |       | -----     |
| Operating Loss                 | 2     | -3070     |
|                                |       | -----     |
| Loss before Taxation           |       | -3070     |
| Taxation                       | 4     | 0         |
|                                |       | -----     |
| Loss after Taxation            |       | -3070     |
| Dividends                      |       | 0         |
|                                |       | -----     |
| <u>Loss for the Period</u>     |       | -3070     |
| STATEMENT OF RETAINED EARNINGS |       |           |
| Loss for the Year              |       | -3070     |
|                                |       | -----     |
| RETAINED LOSS CARRIED FORWARD  |       | -3070     |
|                                |       | =====     |

The attached notes on pages 5 and 6 form part of these financial statements

BALANCE SHEET AS AT 31ST MARCH 1997

|                                       | <u>NOTES</u> | £            | <u>1997</u><br>£ |
|---------------------------------------|--------------|--------------|------------------|
| FIXED ASSETS                          |              |              |                  |
| Tangible Assets                       | 6            | -            | -                |
| CURRENT ASSETS                        |              |              |                  |
| Cash at Bank                          |              | 31           |                  |
|                                       |              | <u>31</u>    |                  |
| CREDITORS                             |              |              |                  |
| Amounts falling due within one year   | 7            | <u>3,100</u> |                  |
| NET CURRENT LIABILITIES               |              |              | (3,069)          |
| TOTAL ASSETS LESS CURRENT LIABILITIES |              |              | <u>(3,069)</u>   |
| CAPITAL AND RESERVES                  |              |              |                  |
| Share Capital                         | 8            |              | 1                |
| Profit & loss Account                 |              |              | (3,070)          |
|                                       |              |              | <u>(3,069)</u>   |

We are required under company law to prepare financial accounts for each financial period which give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. In preparing those financial accounts we are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent.
- state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial accounts;

For the period in question the company was entitled to the exemption from audit as conferred by subsection (1) of section 249A of the Companies Act 1985

No notice has been deposited under subsection(2) of section 249B of the Companies Act 1985 in relation to its accounts for the financial period.

The directors acknowledge their responsibilities for:

1. ensuring that the company keeps accounting records which comply with section 221: and
2. preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far applicable to the company.

The directors have taken advantage of the exemptions conferred by part 111 of schedule 8 of the Companies Act 1985, and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

Approved by the board of directors on the 5th January 1998

Signed A P Curtis  
Director

Date 5th January 1998

The notes on pages 5 and 6 form part of these financial statements.

THE INVESTORS PARTNERSHIP LIMITED  
NOTES TO THE ACCOUNTS

FOR THE PERIOD FROM INCORPORATION 7<sup>th</sup> March 1996 to 31<sup>st</sup> March 1997

1 Accounting Policies

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

Turnover

There was no Turnover during this period

2. Operating Loss

1997

The Operating Loss is stated  
after charging:

|                   |      |  |
|-------------------|------|--|
|                   | £    |  |
| Professional Fees | 3000 |  |

3. Staff Costs

were as follows:

|                  |  |     |
|------------------|--|-----|
| Wages & salaries |  | nil |
|------------------|--|-----|

The average number of weekly  
employee's during the year were:  
Office and Management

nil

4. Taxation

|                   |  |     |
|-------------------|--|-----|
| The Tax charge is |  | nil |
|-------------------|--|-----|

5. Directors Remuneration

|                        |  |     |
|------------------------|--|-----|
| Directors Remuneration |  | nil |
|------------------------|--|-----|

6. Tangible Fixed Assets

There are no Tangible Fixed Assets

7. Creditors

|                                      |  |       |
|--------------------------------------|--|-------|
| Amounts falling due within one year: |  | £     |
| Creditors                            |  | 3100  |
|                                      |  | ----- |
|                                      |  | 3100  |
|                                      |  | ===== |

8. Share Capital

| Class                           | Authorised | Issued<br>Fully Paid |
|---------------------------------|------------|----------------------|
| 250,000 Ordinary Shares £1 each | 250,000    | 1                    |

The Company was incorporated on the 7<sup>TH</sup> March 1996, having an authorised share capital of £1,000 divided into 1,000 Ordinary Shares of £1 each of which one share was issued.

At an extraordinary meeting of the Company convened on the 5<sup>th</sup> February 1997 the existing authorised share capital was increased from £1,000 to £250,000 by the creation of an additional £249,000 ordinary shares of £1 each ranking pari passu in all respects with the existing ordinary shares.

9. Ultimate Holding Company

The Company's ultimate holding company is The Investors Partnership Limited, a company registered in England and Wales No. 3144151