

Company Registration Number 06002953

KINGDOM ZEPHYR AFRICA
MANAGEMENT UK LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2007

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KINGDOM ZEPHYR AFRICA MANAGEMENT UK LIMITED
FINANCIAL STATEMENTS
PERIOD FROM 20 NOVEMBER 2006 TO 31 DECEMBER 2007

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KINGDOM ZEPHYR AFRICA MANAGEMENT UK LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

T Barry
D Garrett

Company secretary

T Barry

Registered office

12 York Gate
London
NW1 4QS

Auditors

Blick Rothenberg
Chartered Accountants
12 York Gate
Regent's Park
London, NW1 4QS

KINGDOM ZEPHYR AFRICA MANAGEMENT UK LIMITED

THE DIRECTORS' REPORT

PERIOD FROM 20 NOVEMBER 2006 TO 31 DECEMBER 2007

The directors present their report and the audited financial statements of the company for the period from 20 November 2006 to 31 December 2007.

Incorporation

The company was incorporated and commenced trading on 20 November 2007.

Principal activity

The principal activity of the company during the period was the provision of services to its parent.

Review of business

The results for the period and the financial position at the period end are considered satisfactory by the directors.

Results and dividends

The profit for the period, after taxation, amounted to £25,451. The directors have not recommended a dividend.

The balance of profits for the period amounting to £25,451 will be carried forward to the following year.

Risk assessment

The company's directors have reviewed the principal risks that face the business and have taken steps to mitigate those risks.

The company provides investment management services to its parent company and therefore the risks facing the company are tied to those facing that company. The parent company earns management fees from managing certain funds and the level of fee earned depends upon the performance of those funds; therefore the key risk is that investments do not perform as expected reducing the level of fees earned.

Key performance indicators

The company acts as a cost centre for the group, therefore the key performance indicator is ensuring control is kept over the level of costs incurred.

Directors

The directors who served the company during the period are as follows:

T Barry	(Appointed 20 November 2006)
D Garrett	(Appointed 20 November 2006)

KINGDOM ZEPHYR AFRICA MANAGEMENT UK LIMITED

THE DIRECTORS' REPORT *(continued)*

PERIOD FROM 20 NOVEMBER 2006 TO 31 DECEMBER 2007

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 that 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.

So far as each person serving as a director of the company at the date this report is approved is aware, there is no relevant audit information of which the company's auditors are unaware and each director hereby confirms that he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

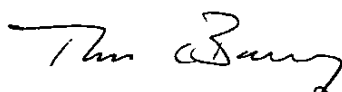
A resolution to reappoint Blick Rothenberg as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed on behalf of the directors

T Barry

Director

Approved by the directors on


1 December 2008

KINGDOM ZEPHYR AFRICA MANAGEMENT UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KINGDOM ZEPHYR AFRICA MANAGEMENT UK LIMITED

PERIOD FROM 20 NOVEMBER 2006 TO 31 DECEMBER 2007

We have audited the financial statements of Kingdom Zephyr Africa Management UK Limited for the period from 20 November 2006 to 31 December 2007, which 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

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 whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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.

KINGDOM ZEPHYR AFRICA MANAGEMENT UK LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KINGDOM
ZEPHYR AFRICA MANAGEMENT UK LIMITED *(continued)***

PERIOD FROM 20 NOVEMBER 2006 TO 31 DECEMBER 2007

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 2007 and of its profit for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

12 York Gate
Regent's Park
London, NW1 4QS

15/12/2008


BLICK ROTHENBERG
Chartered Accountants and
Registered Auditors

KINGDOM ZEPHYR AFRICA MANAGEMENT UK LIMITED**PROFIT AND LOSS ACCOUNT****PERIOD FROM 20 NOVEMBER 2006 TO 31 DECEMBER 2007**

	Note	Period from 20 Nov 06 to 31 Dec 07 £
Turnover	2	608,758
Administrative expenses		(568,933)
Operating profit	3	39,825
Interest receivable		132
Profit on ordinary activities before taxation		39,957
Tax on profit on ordinary activities	5	(14,506)
Profit for the financial period		<u>25,451</u>

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 period as set out above.

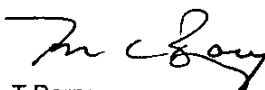
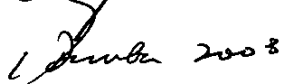
KINGDOM ZEPHYR AFRICA MANAGEMENT UK LIMITED

BALANCE SHEET

31 DECEMBER 2007

	Note	£	31 Dec 07 £
Fixed assets			
Tangible assets	6		10,053
Current assets			
Debtors	7	57,666	
Cash at bank		34,642	
		92,308	
Creditors: Amounts falling due within one year	8	(76,909)	
Net current assets			15,399
Total assets less current liabilities			25,452
Capital and reserves			
Called-up equity share capital	11		1
Profit and loss account	12		25,451
Shareholders' funds	13		25,452

These financial statements were approved by the directors and authorised for issue on, and are signed on their behalf by:


T Barry
Director
 2008

KINGDOM ZEPHYR AFRICA MANAGEMENT UK LIMITED**CASH FLOW STATEMENT****PERIOD FROM 20 NOVEMBER 2006 TO 31 DECEMBER 2007**

	Note	£	Period from 20 Nov 06 to 31 Dec 07 £
Net cash inflow from operating activities	14		45,927
Returns on investments and servicing of finance	15		132
Capital expenditure			
Payments to acquire tangible fixed assets		(11,418)	
Net cash outflow from capital expenditure			(11,418)
Cash inflow before financing			34,641
Financing			
Issue of equity share capital		1	
Net cash inflow from financing			1
Increase in cash	16		34,642

KINGDOM ZEPHYR AFRICA MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 20 NOVEMBER 2006 TO 31 DECEMBER 2007

1. Accounting policies

1.1 Basis of accounting

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with applicable accounting standards.

1.2 Turnover

Turnover represents amounts receivable for services provided in the period, net of VAT. Income is recognised in the period in which the costs of providing the services are incurred.

1.3 Tangible fixed assets

Tangible fixed assets are recorded at cost less provision for depreciation.

1.4 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:

Fixtures & fittings - 20% straight line

1.5 Leases

Operating lease rentals are charged to the profit and loss account in equal instalments over the lease term.

1.6 Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exception:

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.7 Foreign currencies

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 the profit and loss account.

1.8 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

KINGDOM ZEPHYR AFRICA MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 20 NOVEMBER 2006 TO 31 DECEMBER 2007

2. Turnover

The turnover and profit before tax are attributable to the principal activity of the company.

An analysis of turnover is given below:

	Period from 20 Nov 06 to 31 Dec 07 £
Rest of the world	<u>608,758</u>

3. Operating profit

Operating profit is stated after charging:

	Period from 20 Nov 06 to 31 Dec 07 £
Directors' emoluments	—
Depreciation of owned fixed assets	1,365
Auditors' remuneration audit of the financial statements	7,077
Auditors' remuneration - other fees:	
- Taxation services	<u>4,464</u>

4. Particulars of employees

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

	Period from 20 Nov 06 to 31 Dec 07 No
Management staff	2
Investment management staff	2
Support staff	<u>1</u>
	<u>5</u>

The aggregate payroll costs of the above were:

	Period from 20 Nov 06 to 31 Dec 07 £
Wages and salaries	266,149
Social security costs	<u>36,262</u>
	<u>302,411</u>

KINGDOM ZEPHYR AFRICA MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 20 NOVEMBER 2006 TO 31 DECEMBER 2007

5. Taxation on ordinary activities

(a) Analysis of charge in the period

	Period from 20 Nov 06 to 31 Dec 07 £
Current tax:	
UK Corporation tax based on the results for the period at 30%	14,506
Total current tax	<u>14,506</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the period is higher than the standard rate of corporation tax in the UK of 30%.

	Period from 20 Nov 06 to 31 Dec 07 £
Profit on ordinary activities before taxation	<u>39,957</u>
Profit on ordinary activities by rate of tax	11,987
Capital allowances in excess of depreciation	(447)
Expenses disallowed for tax purposes	<u>2,966</u>
Total current tax (note 5(a))	<u>14,506</u>

6. Tangible fixed assets

	Fixtures & Fittings £
Cost	
Additions	<u>11,418</u>
At 31 December 2007	<u>11,418</u>
Depreciation	
Charge for the period	<u>1,365</u>
At 31 December 2007	<u>1,365</u>
Net book value	
At 31 December 2007	<u>10,053</u>

KINGDOM ZEPHYR AFRICA MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 20 NOVEMBER 2006 TO 31 DECEMBER 2007

7. Debtors

	31 Dec 07 £
Amounts owed by group undertaking	15,366
Other debtors	42,300
	<u>57,666</u>

8. Creditors: Amounts falling due within one year

	31 Dec 07 £
Corporation tax	14,506
Other creditors	45,090
Accruals and deferred income	17,313
	<u>76,909</u>

9. Commitments under operating leases

At 31 December 2007 the company had annual commitments under non-cancellable operating leases as set out below.

	Land & buildings £
Operating leases which expire: Within two to five years	<u>42,600</u>

10. Related party transactions

In the opinion of the directors the immediate controlling party is Kingdom Zephyr Africa Management Company, a company incorporated in Mauritius.

The directors consider there to be no ultimate controlling party.

Transactions with related parties are as follows:

Name (Relationship)	Transaction	Amount 2007 £	Amount due (to)/from 2007 £
Kingdom Zephyr Africa Management Company (parent undertaking)	Sales	608,758	15,235
Zephyr Management UK Limited (common ultimate parent)	Rent deposit	42,300	42,300
	Rent	59,099	-

KINGDOM ZEPHYR AFRICA MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 20 NOVEMBER 2006 TO 31 DECEMBER 2007

11. Share capital

	31 Dec 07	
	No	£
Authorised share capital:		
Ordinary shares of £1 each	<u>1</u>	<u>1</u>
Called up, allotted and fully paid:		
Ordinary shares of £1 each	<u>1</u>	<u>1</u>

On incorporation the company issued 1 ordinary share of £1 at par, in order to establish the capital structure of the company.

12. Profit and loss account

	Period from 20 Nov 06 to 31 Dec 07 £
Profit for the financial period	<u>25,451</u>
Balance carried forward	<u>25,451</u>

13. Reconciliation of movements in shareholders' funds

	31 Dec 07 £
Profit for the financial period	25,451
New ordinary share capital subscribed	<u>1</u>
Net addition to shareholders' funds	<u>25,452</u>
Closing shareholders' funds	<u>25,452</u>

14. Reconciliation of operating profit to net cash inflow from operating activities

	Period from 20 Nov 06 to 31 Dec 07 £
Operating profit	39,825
Depreciation	1,365
Increase in debtors	(57,666)
Increase in creditors	<u>62,403</u>
Net cash inflow from operating activities	<u>45,927</u>

KINGDOM ZEPHYR AFRICA MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 20 NOVEMBER 2006 TO 31 DECEMBER 2007

15. Returns on investments and servicing of finance

	Period from 20 Nov 06 to 31 Dec 07 £
Interest received	132
Net cash inflow from returns on investments and servicing of finance	<u>132</u>

16. Reconciliation of net cash flow to movement in net funds

	31 Dec 07 £
Increase in cash	<u>34,642</u>
Movement in net funds in the period	<u>34,642</u>
Net funds at 20 November 2006	—
Net funds at 31 December 2007	<u>34,642</u>

17. Analysis of changes in net funds

	At 20 Nov 2006 £	Cash flows £	At 31 Dec 2007 £
Net cash:			
Cash in hand and at bank	—	<u>34,642</u>	<u>34,642</u>
Net funds	—	<u>34,642</u>	<u>34,642</u>

18. Ultimate parent company

The parent undertaking of the smallest group of undertakings for which group financial statements are drawn up and of which the company is a member is Kingdom Zephyr Africa Management Company, a company incorporated in Mauritius. Copies of group financial statements are not available to the public.

The parent undertaking of the largest group of undertakings for which group financial statements are drawn up and of which the company is a member is Kingdom Holding Company, a company incorporated in Saudi Arabia. Copies of group financial statements are not available to the public.