

STAT COPY

COMPANY NO:  
988441

INVESTECO OVERSEAS HOLDINGS LIMITED

FINANCIAL STATEMENTS

31<sup>ST</sup> DECEMBER 2003



INVESTECO OVERSEAS HOLDINGS LIMITED

I N D E X

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- For the Information of the Directors Only
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INVESTECO OVERSEAS HOLDINGS LIMITED

REPORT OF THE DIRECTORS

The directors submit their report and the audited accounts for the year to 31<sup>st</sup> December 2003.

PRINCIPAL ACTIVITY

The principal activity of the company was to promote and invest in productive and trading operations.

DIRECTORS

The directors who served during the year and their beneficial interests in the share capital of the company were as follows:-

	<u>Ordinary £1 Shares</u>		<u>Preference Shares</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
K.P. Legg	355,000	355,000	135,804	135,804
Mrs G.M. Legg	-	-	-	-
G. Grender	10,000	10,000	22,000	22,000

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 the 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;

state whether applicable 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 which disclose with reasonable accuracy at any time the financial position of the company and to 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.

INVESTECO OVERSEAS HOLDINGS LIMITED

REPORT OF THE DIRECTORS

CONTINUED

AUDITORS

On 6 April 2004 Chapman Davis & Co., the Company's auditors transferred their business to Chapman Davis LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The Company's consent has been given to treating the appointment of Chapman Davis & Co. as extending to Chapman Davis LLP with effect from 6 April 2004 under the provisions of section 26(5) of the Company's Act 1989. A resolution to re-appoint Chapman Davis LLP as the Company's auditors will be proposed at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and was approved by the board on 19<sup>th</sup> October 2004 and signed on their behalf.

FOR AND ON BEHALF OF  
TABOR SECRETARIES LIMITED

TABOR SECRETARIES LIMITED  
Secretary

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
INVESTECO OVERSEAS HOLDINGS LIMITED

We have audited the financial statements on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

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's members as a body, for our audit work, for this report, or for the opinion we have formed.

Respective Responsibilities of Directors and Auditors

As described on page 1, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of Opinion

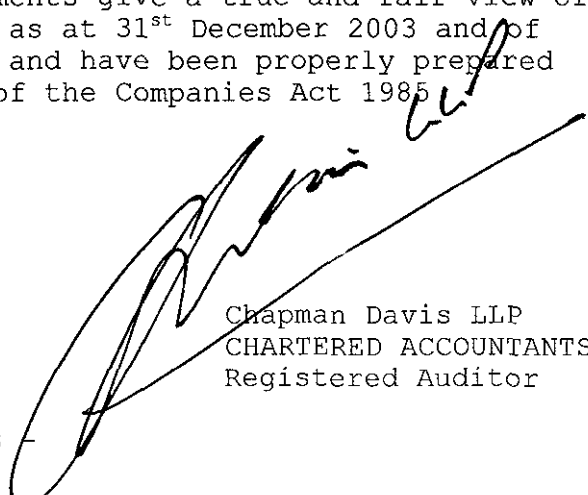
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31<sup>st</sup> December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

LONDON  
19<sup>th</sup> October 2004

  
Chapman Davis LLP  
CHARTERED ACCOUNTANTS  
Registered Auditor

INVESTECO OVERSEAS HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR TO 31<sup>ST</sup> DECEMBER 2003

	<u>Notes</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>2002</u> <u>£</u>
Turnover	1		4,410		8,750
Cost of Sales			3,000		7,800
GROSS PROFIT			<u>1,410</u>		<u>950</u>
Administration Expenses		(337)		(256)	
Other Operating Income		505		-	
Change in Provision Against Investments		500		(689)	
			<u>668</u>		<u>(945)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2		2,078		5
Exceptional Item Loss on sale of Fixed Asset Investment			-		(9,972)
PROFIT/(LOSS) FOR YEAR BEFORE TAXATION			<u>2,078</u>		<u>(9,967)</u>
TAXATION	4		-		-
RETAINED PROFIT/(LOSS) FOR THE YEAR			<u>2,078</u>		<u>(9,967)</u>
ACCUMULATED DEFICIT BROUGHT FORWARD			(757,205)		(747,238)
ACCUMULATED DEFICIT CARRIED FORWARD			<u>£ (755,127)</u> =====		<u>£ (757,205)</u> =====

The company made no recognised gains or losses in 2003 or 2002 other than the result for the period.

INVESTECO OVERSEAS HOLDINGS LIMITED

BALANCE SHEET

AT 31<sup>ST</sup> DECEMBER 2003

	<u>Notes</u>	<u>£</u>	<u>2002</u> <u>£</u>
CURRENT ASSETS			
Investments	5	2,751	2,251
Debtors	6	150,882	298,967
Cash at Bank		64	66
		<u>153,697</u>	<u>301,284</u>
CREDITORS: Amounts Falling Due Within One Year			
	7	(570)	(150,235)
NET ASSETS		<u>£153,127</u> =====	<u>£151,049</u> =====
CAPITAL AND RESERVES			
Called up Share Capital	8	885,780	885,780
Share Premium Account		22,474	22,474
Profit and Loss Account		(755,127)	(757,205)
SHAREHOLDERS' FUNDS	9	<u>£153,127</u> =====	<u>£151,049</u> =====

These Financial Statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and were approved by the Board on 19<sup>th</sup> October 2004.

.....  
K.P. Legg  
DIRECTOR

INVESTECO OVERSEAS HOLDINGS LIMITED  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

31<sup>ST</sup> DECEMBER 2003

1. ACCOUNTING POLICIES

Accounting Convention

These accounts have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

Current Asset Investments

These are stated at the lower of cost and market value.

Turnover

Turnover represents the sales proceeds of current asset investments sold during the year, less broker's commission.

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION                      2003                      2002

Profit on Ordinary Activities Before  
Taxation is Arrived at After Charging:-

Auditors' Remuneration	£235	£235
	=====	=====

3. DIRECTORS' EMOLUMENTS

The directors received no remuneration from the company during the year (2002: £nil).

4. TAXATION

No charge to U.K. Corporation Tax arises on the adjusted results for the year (2002: £nil).

The company has corporation tax losses of approximately £101,000 (2002: £103,000) which are available to be carried forward for set off against future profits from the same trade.

In addition, the company has capital losses of approximately £640,000 (2002: £640,000) which are available to be carried forward for set off against any future realised capital gains.



INVESTECO OVERSEAS HOLDINGS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

CONTINUED

5. CURRENT ASSET INVESTMENTS

These consist of listed investments at a cost of £25,815 (2002: £25,815) and market value of £2,751 (2002: £2,251).

6. <u>DEBTORS</u>	<u>2003</u>	<u>2002</u>
Trade Debtors	£150,882 =====	£298,967 =====

7. CREDITORS: Amounts Falling Due Within One Year

	<u>2003</u>	<u>2002</u>
Participator Loan	-	150,000
Accruals	570	235
	<u>£570</u> =====	<u>£150,235</u> =====

8. <u>SHARE CAPITAL</u>	<u>2003</u>	<u>2002</u>
<u>Authorised</u>		
708,626 Ordinary Shares of £1 Each	708,626	708,626
164,568,000 Ordinary Shares of 2½p Each	4,114,220	4,114,220
177,154 5% Convertible Non-Cumulative Non-Voting Preference Shares of £1 Each	177,154	177,154
	<u>£5,000,000</u> =====	<u>£5,000,000</u> =====

Allotted and Fully Paid

708,626 Ordinary Shares of £1 Each	708,626	708,626
177,154 5% Convertible Non-Cumulative Non-Voting Preference Shares of £1 Each	177,154	177,154
	<u>£885,780</u> =====	<u>£885,780</u> =====

The preference shares are convertible at the option of the preference shareholders into fully paid 2½p shares on the basis of twenty 2½p shares for every one convertible preference share.

INVESTECO OVERSEAS HOLDINGS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

CONTINUED

9.	<u>SHAREHOLDERS FUNDS</u>	<u>2003</u>	<u>2002</u>
	Profit and Loss Account		
	At 1/1/03	(757,205)	(747,238)
	Retained Profit/(Loss) for Year	2,078	(9,967)
	At 31/12/03	£ (755,127)	£ (757,205)
		=====	=====
	Called Up Share Capital at		
	1/1/03 and 31/12/03	£885,780	£885,780
		=====	=====
	Share Premium at 1/1/03 and 31/12/03	£22,474	£22,474
		=====	=====
	TOTAL SHAREHOLDERS FUNDS	£153,127	£151,049
		=====	=====

10. RELATED PARTY DISCLOSURES

In the opinion of the directors there are no disclosures required to draw attention to the possibility that the reported financial position and results may have been affected by the existence of related parties and by material transactions with them.