

Company Number
1878713

**LIBERTY INTERNATIONAL ASSET
MANAGEMENT LIMITED**

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2000



LIBERTY INTERNATIONAL ASSET MANAGEMENT LIMITED

REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 31 DECEMBER 2000**

The directors have pleasure in presenting their annual report and the audited financial statements for the year ended 31 December 2000.

Directors' Responsibilities

The directors are required by UK company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss and total recognised gains and losses of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made, in the preparation of the financial statements for the year ended 31 December 2000. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and for taking reasonable steps to prevent and detect fraud and other irregularities.

Principal Activities

The principal activities of Liberty International Asset Management Limited are acting as an investment manager and investment adviser. The company is regulated by IMRO.

Review of Developments

The company continued to perform satisfactorily and recorded a profit before taxation for the period of £463,634 (1999 - £5). Income arose from investment management and interest earned on cash balances.

Results and Financial Position

Information on the company's results and financial position can be seen in the profit and loss account on page 4, the balance sheet on page 5 and the notes relating thereto.

Dividends

The directors recommend the payment of a dividend of 12.12p per ordinary share (1999 - £nil).

LIBERTY INTERNATIONAL ASSET MANAGEMENT LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2000 (continued)**

Future Prospects

The directors consider the future prospects of the company to be good.

Directors and Directors' Interests

During the year the following persons were directors of the company:

D. A. Fischel
R. A. M. Baillie
F. B. Sher
P. Sober
A.C. Smith


During the period under review no director held a disclosable interest in the shares of Liberty International Asset Management Limited.

Interests of the directors in the share capital of the ultimate holding company, Liberty International PLC, are shown in the financial statements of that company.

Auditors

Elective resolutions to dispense with holding annual general meetings, the laying of annual accounts before the company in general meeting and the appointment of auditors annually are in force. No annual general meeting will be held this year unless a requisition to hold same is received from a member or the auditors within 28 days of receipt of these Report and Accounts. In the absence of any such requisition, the auditors, PricewaterhouseCoopers, will be deemed to be re-appointed for each succeeding financial year.

By order of the Board



S Folger *Secretary*
15 February 2001

**Report of the Auditors to the members of
LIBERTY INTERNATIONAL ASSET MANAGEMENT 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.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on page 1, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. 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, 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

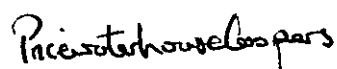
Basis of audit opinion

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 at 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
London
15 February 2001

LIBERTY INTERNATIONAL ASSET MANAGEMENT LIMITED

Profit and loss account for the year ended 31 December 2000

	Notes	2000 £	1999 £
Turnover	2	1,276,938	969,468
Administrative expenses		<u>(858,904)</u>	<u>(997,356)</u>
Operating profit / (loss)	3	418,034	(27,888)
Interest receivable	4	46,588	27,893
Less interest payable		<u>(988)</u>	<u>-</u>
Profit on ordinary activities before taxation		463,634	5
Tax on profit on ordinary activities	5	<u>(139,000)</u>	<u>(12,364)</u>
Profit / (loss) on ordinary activities after taxation		324,634	(12,359)
Dividend		<u>(121,194)</u>	<u>-</u>
Transfer to retained profits		203,440	(12,359)
Retained loss brought forward		<u>(203,440)</u>	<u>(191,081)</u>
Retained loss carried forward		<u><u>-</u></u>	<u><u>(203,440)</u></u>

The results of the year are from continuing operations.

The company has no recognised gains and losses other than those included in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between profit on ordinary activities before taxation and retained profit for the year as stated above and their historical cost equivalents.

LIBERTY INTERNATIONAL ASSET MANAGEMENT LIMITED

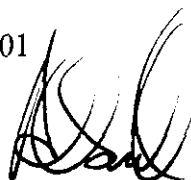
Balance sheet - 31 December 2000

	Notes	2000 £	1999 £
Current assets			
Debtors	6	368,926	498,895
Cash at bank and in hand		<u>915,000</u>	<u>345,658</u>
		1,283,926	844,553
Creditors: amounts falling due within one year	7	<u>(283,926)</u>	<u>(47,993)</u>
Net assets		<u><u>1,000,000</u></u>	<u><u>796,560</u></u>
Capital and reserves			
<i>Equity interests</i>			
Called up share capital	8	1,000,000	1,000,000
Profit and loss account		<u>-</u>	<u>(203,440)</u>
Shareholders' funds	9	<u><u>1,000,000</u></u>	<u><u>796,560</u></u>

Approved by the Board on 15 February 2001



D.A. Fischel
Director



A. C. Smith
Director

LIBERTY INTERNATIONAL ASSET MANAGEMENT LIMITED

Notes to the accounts - 31 December 2000

1. Accounting policies

(a) Preparation of accounts

The financial statements are prepared in accordance with applicable accounting standards in the United Kingdom under the historical cost convention.

(b) Income

Income from investments and other interest are included in the profit and loss account of the accounting period during which they accrue.

(c) Turnover

Turnover, which excludes value added tax, represents the value of investment management services provided in the United Kingdom.

(d) Cashflow statement

The company is a wholly owned subsidiary of Liberty International Financial Services PLC and the cash flows of the company are included in the consolidated group cash flow statement of the ultimate UK parent company, Liberty International PLC. Consequently, the company is exempt under the terms of Financial Reporting Standard 1 from publishing a cash flow statement.

(e) Related party transactions

The company is a wholly owned subsidiary of Liberty International PLC. Consequently, the company is exempt under the terms of Financial Reporting Standard 8 from disclosing details of transactions with related parties who are members of the group.

2. Turnover

	2000	1999
	£	£
Investment management	<u>1,276,938</u>	<u>969,468</u>

All turnover arose in the UK.

LIBERTY INTERNATIONAL ASSET MANAGEMENT LIMITED

Notes to the accounts - 31 December 2000 (continued)

3. Operating Profit

	2000 £	1999 £
This is stated after charging:		
Auditors' remuneration:		
Audit services	6,000	8,700
Non-audit services	3,000	5,800

The company has no employees (1999 - none) and none of the directors received remuneration from the company (1999 - £nil). Staff are provided by the ultimate parent company, Liberty International PLC, to which the company pays a quarterly charge in respect of staff and administration costs.

4. Interest receivable

	2000 £	1999 £
Bank interest receivable	41,718	27,893
Interest receivable from group companies	4,870	-
	<u>46,588</u>	<u>27,893</u>

5. Tax on profit on ordinary activities

	2000 £	1999 £
Group relief at 30% (1999 - 31%)	<u>(139,000)</u>	<u>(12,364)</u>

6. Debtors

	2000 £	1999 £
Amounts receivable from related companies	3,282	381,458
Accrued income	351,391	103,185
Other debtors	14,253	14,252
	<u>368,926</u>	<u>498,895</u>

LIBERTY INTERNATIONAL ASSET MANAGEMENT LIMITED

Notes to the accounts - 31 December 2000 (continued)

7. Creditors: amounts falling due within one year

	2000	1999
	£	£
Bank overdraft	5,963	-
VAT	8,769	15,268
Tax payable – group relief	139,000	12,364
Dividends payable	121,194	-
Accruals	9,000	20,361
	<u>283,926</u>	<u>47,993</u>

8. Called up share capital

	2000	1999
	£	£
Authorised, issued, allotted and fully paid		
1,000,000 ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

9. Reconciliation of movements in shareholders' funds

	2000	1999
	£	£
Opening shareholders' funds	796,560	808,919
Retained profit / (loss)	<u>203,440</u>	<u>(12,359)</u>
Closing shareholders' funds	<u>1,000,000</u>	<u>796,560</u>

10. Other information

The directors regard Liberty International Financial Services PLC, a company registered in England and Wales, as the immediate parent company. Copies of the consolidated financial statements of the ultimate parent company, Liberty International PLC, may be obtained from The Secretary, Liberty International PLC, 40 Broadway, London SW1H 0BT.