

Company Registration No. 2006742 (England and Wales)

**REYKER INVESTMENTS LIMITED**

**DIRECTORS' REPORT**

**AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2003**



# REYKER INVESTMENTS LIMITED

## COMPANY INFORMATION

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### Directors

F A Dada  
C J R Freeman  
J K N Freeman

### Secretary

St James Secretariat Limited

### Company number

2006742

### Registered office

30 St James's Street  
London  
SW1A 1HB

### Auditors

Green & Peter  
Chartered Accountants and Registered Auditors  
The Limes  
1339 High Road  
Whetstone  
N20 9HR

### Bankers

HSBC Private Bank (UK) Limited  
78 St James's Street  
London  
SW1A 1JB

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**REYKER INVESTMENTS LIMITED**

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# REYKER INVESTMENTS LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2003

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The directors present their report and financial statements for the year ended 31 December 2003.

### Principal activities

The principal activities of the company are the provision of management and management consultancy services and investment holding and management.

### Directors

The following directors have held office since 1 January 2003:

F A Dada

C R B Hesketh

(Resigned 11 September 2004)

C J R Freeman

J K N Freeman

### Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 December 2003	1 January 2003
F A Dada	-	-
C R B Hesketh	-	-
C J R Freeman	17,875	17,875
J K N Freeman	17,875	17,875

	Deferred Shares of £ 1 each	
	31 December 2003	1 January 2003
F A Dada	-	-
C R B Hesketh	-	-
C J R Freeman	-	-
J K N Freeman	-	-

### Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Green & Peter be reappointed as auditors of the company will be put to the Annual General Meeting.

**REYKER INVESTMENTS LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2003**

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**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 that 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;
- 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board

.....  
F A Dada

Director

21/9/04

**REYKER INVESTMENTS LIMITED**

**INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF REYKER INVESTMENTS LIMITED**

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We have audited the financial statements of Reyker Investments Limited on pages 4 to 9 for the year ended 31 December 2003. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and 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 auditor's 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 the directors and auditors**

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 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 with the company 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 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 whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

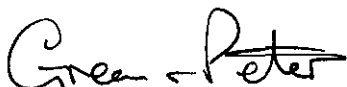
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 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.

In our opinion the company is entitled to the exemption from preparing consolidated financial statements by Section 248 of the Companies Act 1985.

Green & Peter



21/9/04

Chartered Accountants

**Registered Auditor**

The Limes

1339 High Road

Whetstone

N20 9HR

**REYKER INVESTMENTS LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2003**

	Notes	2003 £	2002 £
<b>Turnover</b>		69,925	70,300
Administrative expenses		(66,994)	(56,242)
<b>Operating profit</b>	<b>2</b>	2,931	14,058
Profit on land		91,101	-
<b>Profit on ordinary activities before interest</b>		94,032	14,058
Investment income	<b>3</b>	25,000	25,000
Other interest receivable and similar income	<b>3</b>	25	56
<b>Profit on ordinary activities before taxation</b>		119,057	39,114
Tax on profit on ordinary activities	<b>4</b>	(471)	(2,215)
<b>Profit on ordinary activities after taxation</b>		118,586	36,899
Dividends		(20,000)	(20,000)
<b>Retained profit for the year</b>	<b>10</b>	98,586	16,899

REYKER INVESTMENTS LIMITED

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2003**

	Notes	2003 £	£	2002 £	£
<b>Fixed assets</b>					
Tangible assets	5		-		11,000
Investments	6		665,363		665,363
			<u>665,363</u>		<u>676,363</u>
<b>Current assets</b>					
Debtors	7	551,665		446,121	
Cash at bank and in hand		-		2,808	
		<u>551,665</u>		<u>448,929</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(51,615)</u>		<u>(58,465)</u>	
<b>Net current assets</b>			<u>500,050</u>		<u>390,464</u>
<b>Total assets less current liabilities</b>			<u>1,165,413</u>		<u>1,066,827</u>
<b>Capital and reserves</b>					
Called up share capital	9	400,100		400,100	
Share premium account	10	122,344		122,344	
Profit and loss account	10	642,969		544,383	
<b>Shareholders' funds</b>			<u>1,165,413</u>		<u>1,066,827</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 with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 21/9/04.

  
F. A. Dada  
Director



# REYKER INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

#### 1.3 Turnover

Turnover represents the value of services invoiced exclusive of value added tax.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land Freehold	No depreciation is provided in respect of Freehold Land
Computer Equipment	25% per annum straight line basis
Motor vehicles	25% per annum straight line basis

#### 1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 1.6 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertakings comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

### 2 Operating profit

	2003	2002
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	-	1,331
Auditors' remuneration	500	500
Directors' emoluments	22,000	17,500
	<u>22,000</u>	<u>17,500</u>

### 3 Investment income

	2003	2002
	£	£
Income from shares in group undertakings	25,000	25,000
Bank interest	25	56
	<u>25,025</u>	<u>25,056</u>

REYKER INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2003

4	Taxation	2003 £	2002 £
	<b>Domestic current year tax</b>		
	U.K. corporation tax	471	2,215
	<b>Current tax charge</b>	<u>471</u>	<u>2,215</u>

5	Tangible fixed assets	Freehold Land £	Computer Equipment £	Total £
	<b>Cost</b>			
	At 1 January 2003	11,000	5,354	16,354
	Disposals	(11,000)	-	(11,000)
	At 31 December 2003	<u>-</u>	<u>5,354</u>	<u>5,354</u>
	<b>Depreciation</b>			
	At 1 January 2003 & at 31 December 2003	<u>-</u>	<u>5,354</u>	<u>5,354</u>
	<b>Net book value</b>			
	At 31 December 2003	<u>-</u>	<u>-</u>	<u>-</u>
	At 31 December 2002	<u>11,000</u>	<u>-</u>	<u>11,000</u>

REYKER INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2003

6 Fixed asset investments

	Shares in group undertakings and participating interests £
<b>Cost</b>	
At 1 January 2003 & at 31 December 2003	<u>665,363</u>

**Holdings of more than 20%**

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
<b>Subsidiary undertakings</b>			
H & F Securities Limited	England & Wales	Ordinary	100
Reyker Properties Limited	England & Wales	Ordinary	100
Reyker Securities Inc.	USA	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves £	Profit for the year £
H & F Securities Limited	832,770	66,984
Reyker Properties Limited	620,778	42,735
Reyker Securities Inc.	<u>740,148</u>	<u>378</u>

The subsidiaries are engaged in investment activities.

7 Debtors	2003 £	2002 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	550,769	446,121
Other debtors	<u>896</u>	<u>-</u>
	<u>551,665</u>	<u>446,121</u>

**REYKER INVESTMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2003**

<b>8 Creditors: amounts falling due within one year</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	572	-
Amounts owed to group undertakings and undertakings in which the company has a participating interest	-	17,550
Taxation and social security	10,946	10,190
Other creditors	40,097	30,725
	<u>51,615</u>	<u>58,465</u>

<b>9 Share capital</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
400,000 Ordinary shares of £1 each	400,000	400,000
100 Deferred Shares of £1 each	100	100
	<u>400,100</u>	<u>400,100</u>

**Allotted, called up and fully paid**

400,000 Ordinary shares of £1 each	400,000	400,000
100 Deferred Shares of £1 each	100	100
	<u>400,100</u>	<u>400,100</u>

**10 Statement of movements on reserves**

	<b>Share premium account</b>	<b>Profit and loss account</b>
	<b>£</b>	<b>£</b>
Balance at 1 January 2003	122,344	544,383
Retained profit for the year	-	98,586
	<u>122,344</u>	<u>642,969</u>

**11 Control**

There is no one ultimate controlling party.

**12 Related party transactions**

Management Charges amounting to £45,000 and £25,000 are receivable from the subsidiaries, Reyker Properties Limited and H&F Securities Limited ,respectively. As at the balance sheet date the company was owed £362,416 by H&F Securities Limited and £188,353 by Reyker Properties Limited.