

**COLUMBUS FINANCIAL ADVISERS LIMITED**

**Financial Statements**

**31 March 2000**



**DIRECTORS**

L C Seely  
C C Walker  
M R A Carlton  
M W Delmar-Morgan

**SECRETARY**

H Fleming

**REGISTERED OFFICE**

43 Cantelupe Road  
East Grinstead  
West Sussex  
RH19 3BL

**BANKERS**

Barclays Bank plc  
PO Box 2165  
Crawley  
West Sussex  
RH10 1YX

**AUDITORS**

Moore Stephens  
Chartered Accountants  
St Paul's House  
Warwick Lane  
London  
EC4P 4BN

The directors present their report and accounts for the year ended 31 March 2000.

## RESULTS AND DIVIDENDS

The profit for the year after taxation amounted to £15,200 (1999 - £34,612) which is to be transferred to accumulated losses.

The directors do not recommend the payment of a dividend.

## REVIEW OF THE BUSINESS

The Company's principal activity during the year was the provision of financial services. It is regulated by the PIA (Personal Investment Authority Limited).

The directors do not anticipate any major changes to the nature of the business during the coming year.

## DIRECTORS AND THEIR INTERESTS

The Directors during the year were as follows:

	<u>At 31 March 2000</u>	<u>At 1 April 1999</u>
	<b>Ordinary Shares</b>	<b>Ordinary Shares</b>
L C Seely	385,000	385,000
C C Walker	275,000	275,000
M R A Carlton	155,295	155,295
M W Delmar-Morgan	-	-

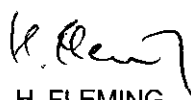
## CLOSE COMPANY

The company is a close company within the provisions of the Income and Corporation Taxes Act, 1988.

## AUDITORS

Moore Stephens are willing to continue in office, a resolution to reappoint them as auditors will be put to the members at the annual general meeting.

BY ORDER OF THE BOARD

  
H. FLEMING  
SECRETARY

11. April 2001

**COLUMBUS FINANCIAL ADVISERS LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the financial year. The directors consider that in preparing the financial statements the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgement and estimates and confirm that all applicable accounting standards have been followed. The financial statements have been prepared on a going concern basis.

The directors have responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985. The directors also have responsibility for safeguarding the assets of the company and for the prevention and detection of fraud and other irregularities.

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
COLUMBUS FINANCIAL ADVISERS LIMITED**

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

**Respective Responsibilities of Directors and Auditors**

As described on page 3 the company's directors are responsible for the preparation of 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 affairs of the company as at 31 March 2000 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

St. Paul's House  
Warwick Lane  
London EC4P 4BN

*Moore Stephens*

MOORE STEPHENS

Chartered Accountants  
Registered Auditors

12 April 2001

**COLUMBUS FINANCIAL ADVISERS LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2000**

	<b>Note</b>	<b>2000</b>	<b>1999</b>
<b>TURNOVER</b>	<b>2</b>	<b>2,246,794</b>	<b>1,853,512</b>
Cost of sales		1,471,287	1,017,515
		<hr/>	<hr/>
Gross profit		775,507	835,997
Administrative expenses		764,406	809,452
		<hr/>	<hr/>
<b>OPERATING PROFIT</b>	<b>3</b>	<b>11,101</b>	<b>26,545</b>
Bank interest receivable		11,449	15,203
Bank and loan interest payable		(850)	(464)
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>21,700</b>	<b>41,284</b>
<b>TAXATION</b>	<b>5</b>	<b>6,500</b>	<b>6,672</b>
		<hr/>	<hr/>
<b>PROFIT FOR FINANCIAL YEAR</b>		<b>15,200</b>	<b>34,612</b>
		<hr/>	<hr/>
<b>ACCUMULATED LOSSES</b>			
At 1 April 1999		(75,886)	(110,498)
Profit for the financial year		15,200	34,612
		<hr/>	<hr/>
At 31 March 2000		<b>(60,686)</b>	<b>(75,886)</b>
		<hr/>	<hr/>

There are no realised gains or losses other than those included in the profit and loss account.

The notes on pages 8 to 12 form part of these accounts.

## COLUMBUS FINANCIAL ADVISERS LIMITED

## BALANCE SHEET AT 31 MARCH 2000

	Note	2000	1999
<b>FIXED ASSETS</b>			
Tangible assets	6	33,611	37,842
		<hr/>	<hr/>
<b>CURRENT ASSETS</b>			
Debtors	7	349,460	85,572
Cash at bank and in hand		277,722	383,687
		<hr/>	<hr/>
		627,182	469,259
<b>CURRENT LIABILITIES</b>			
Creditors: amounts falling due within one year	8	493,326	354,834
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		133,856	114,425
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		£167,467	£152,267
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Called-Up Share Capital	9	228,153	228,153
Profit and Loss Account		(60,686)	(75,886)
		<hr/>	<hr/>
Equity Shareholders Funds		167,467	£152,267
		<hr/>	<hr/>

Approved by the Board on 11 April 2001



M R A CARLTON  
DIRECTOR

The notes on pages 8 to 12 form part of these accounts.

**COLUMBUS FINANCIAL ADVISERS LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2000**

	Note	2000 £	1999 £
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	14	(88,372)	175,305
 <b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest paid		(850)	(464)
Interest received		11,449	15,203
		<hr/>	<hr/>
Net cash flow from returns on investments and servicing of finance		10,599	14,739
<b>TAXATION</b>		(7,444)	(1,416)
 <b>INVESTING ACTIVITIES</b>			
Purchase of tangible fixed assets		(12,748)	(33,652)
		<hr/>	<hr/>
Net cash (outflow) from investing activities		(12,748)	(33,652)
		<hr/>	<hr/>
Net cash flow before financing		(97,965)	154,976
 <b>FINANCING</b>			
Loans redeemed		(8,000)	(8,000)
		<hr/>	<hr/>
Net cash flow from financing		(8,000)	(8,000)
		<hr/>	<hr/>
<b>(DECREASE)/INCREASE IN CASH IN THE YEAR</b>	15	(105,965)	£146,976
		<hr/>	<hr/>
 <b>RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS</b>			
(Decrease)/Increase in cash in the year	15	(105,965)	£146,976
Cash outflow due to the repayment of debt		8,000	9,178
		<hr/>	<hr/>
Movement in net funds		(97,965)	156,154
Net funds at 1 April 1999		375,687	219,533
		<hr/>	<hr/>
Net funds at 31 March 2000		£277,722	£375,687
		<hr/>	<hr/>



**COLUMBUS FINANCIAL ADVISERS LIMITED**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2000**

**1. ACCOUNTING POLICIES**

**(a) Accounting Convention**

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

**(b) Depreciation**

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value of each asset over its expected economic useful life, as follows:-

Computer system	-	over three years
Office furniture	-	over four years
Fixtures and fittings	-	over four years
Office equipment	-	over four years

**(c) Comparatives**

Comparatives have been restated to ensure consistency with current year figures.

**2. TURNOVER**

Turnover represents the commissions earned from the principal activity of providing financial services. Full credit is taken for initial commissions due on all business debited in the year irrespective of the period of the policy. Renewal commission is accounted for when received. Provision is made for commissions on indemnity terms which are repayable in the year together with further provision based on previous experience.

Turnover amounting to Nil (1999 £1,422) originated from countries outside the United Kingdom.

**3. OPERATING PROFIT**

	<b>2000</b>	<b>1999</b>
This is stated after charging:-		
Directors' emoluments (see note 4)	628,318	641,918
Auditors remuneration	6,169	4,001
Depreciation	16,979	11,867
	<u>          </u>	<u>          </u>

**COLUMBUS FINANCIAL ADVISERS LIMITED**

**NOTES TO THE ACCOUNTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2000**

<b>4. EMPLOYEES</b>	<b>2000</b>	<b>1999</b>
Directors' Remuneration		
Normal Emoluments	601,853	616,456
Pension contributions	26,465	25,462
	<hr/>	<hr/>
	£628,318	£641,918
	<hr/>	<hr/>

The pension contributions relate to three Directors under Money Purchase Schemes.

<b>Staff costs (including Directors)</b>	<b>2000</b>	<b>1999</b>
Wages and salaries	848,102	828,628
Social security costs	100,654	81,191
Pension contributions	38,406	35,182
	<hr/>	<hr/>
	£987,162	£945,001
	<hr/>	<hr/>

The average weekly number of employees during the year was made up as follows:-

Technical	3	3
Administration	16	16
	<hr/>	<hr/>
	19	19
	<hr/>	<hr/>

<b>5. TAXATION</b>	<b>2000</b>	<b>1999</b>
Corporation tax	6,500	6,672
	<hr/>	<hr/>
	£6,500	£6,672
	<hr/>	<hr/>

**COLUMBUS FINANCIAL ADVISERS LIMITED**

**NOTES TO THE ACCOUNTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2000**

**6. TANGIBLE FIXED ASSETS**

	Computer and Office Equipment	Office Furniture Fixtures & Fittings	Total
Cost:			
At 1 April 1999	50,114	22,792	72,906
Additions	8,076	4,672	12,748
	<hr/>	<hr/>	<hr/>
At 31 March 2000	58,190	27,464	85,654
	<hr/>	<hr/>	<hr/>
Depreciation:			
At 1 April 1999	29,001	6,063	35,064
Charge for year	11,860	5,119	16,979
	<hr/>	<hr/>	<hr/>
At 31 March 2000	40,861	11,182	52,043
	<hr/>	<hr/>	<hr/>
Net book value:			
At 31 March 2000	£17,329	£16,282	£33,611
	<hr/>	<hr/>	<hr/>
At 1 April 1999	£21,113	£16,729	£37,842
	<hr/>	<hr/>	<hr/>

**7. DEBTORS**

	2000	1999
Trade debtors	322,815	65,588
Prepayments	19,016	9,301
Amount due from affiliate company	-	844
Called up share capital not paid	7,338	7,338
Sundry debtors	291	2,501
	<hr/>	<hr/>
	£349,460	£85,572
	<hr/>	<hr/>

**COLUMBUS FINANCIAL ADVISERS LIMITED**

**NOTES TO THE ACCOUNTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2000**

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2000</b>	<b>1999</b>
Trade creditors	239,186	139,189
Corporation Tax	5,728	6,672
Accruals	32,544	102,204
Tax, Social Security payable and other creditors	215,109	98,044
Amount owed to associate company	589	725
Loans repayable within one year	-	8,000
Amount Owed to affiliate company	170	-
	<hr/>	<hr/>
	£493,326	£354,834
	<hr/>	<hr/>

**9. SHARE CAPITAL**

	<b>2000</b>	<b>1999</b>
Authorised:		
Ordinary Shares of £1 each	-	-
Ordinary Shares of 1p each	41,024	41,024
Deferred Shares of 1p each	217,800	217,800
	<hr/>	<hr/>
	£258,824	£ 258,824
	<hr/>	<hr/>
Allotted, Called-Up and Fully Paid		
Ordinary Shares of £1 each	-	-
Ordinary Shares of 1p each	2,200	2,200
Deferred Shares of 1p each	217,800	217,800
Allotted, Called-Up and Partly Paid		
Ordinary Shares of 1p each	8,153	8,153
	<hr/>	<hr/>
	£228,153	£228,153
	<hr/>	<hr/>

The Deferred shares of 1p each are entitled, on liquidation, to return of an amount equivalent to nominal value and have no other participation right. Such right is subject to a minimum return to Ordinary shareholders on liquidation of £1,000 per share. Accordingly, the holders of Deferred 1p shares have no participation in existing shareholders' funds.

**COLUMBUS FINANCIAL ADVISERS LIMITED**

**NOTES TO THE ACCOUNTS (Continued)  
FOR THE YEAR ENDED 31 MARCH 2000**

The movement in equity shareholder funds during the year is represented by:

	<u>2000</u>	<u>1999</u>
Opening shareholder funds	152,267	117,655
Profit for year	15,200	34,612
Closing shareholder funds	<u>£167,467</u>	<u>£152,267</u>

**10. PENSION**

The company has made payments to money purchase schemes on behalf of directors and employees amounting to £38,406 (1999 £35,182).

**11. LEASE**

The company leases premises in East Grinstead for a term expiring in July 2000 at an annual rental of £23,000 and in London for a term expiring in December 2001, at an annual rental of £13,320 without further review.

**12. CONTINGENT LIABILITIES**

At 31 March 2000 the Company had no contingent liabilities that fall to be disclosed (1999 - Nil).

**13. TRANSACTIONS WITH DIRECTORS**

During the year policies were negotiated for directors and their connected persons in accordance with normal trading terms, together with commission participation arrangements.

**14. RECONCILIATION OF OPERATING PROFIT  
TO OPERATING CASH FLOW**

	<u>2000</u>	<u>1999</u>
Operating Profit	11,101	26,545
Depreciation charges	16,979	11,867
(Increase)/decrease in debtors	(263,888)	37,327
Increase in creditors	147,436	99,566
Net cash inflow from operating activities	<u>(£88,372)</u>	<u>£175,305</u>

**15. ANALYSIS OF FUNDS**

	1 April 1999	Cash Flow	31 March 2000
Cash at Bank	383,687	(105,965)	277,722
Third Party Loans	(8,000)	8,000	-
	<u>£375,687</u>	<u>(£97,965)</u>	<u>£277,722</u>