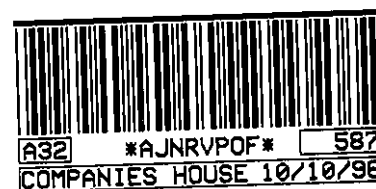


PORTFOLIO DESIGN GROUP LIMITED
ABRIDGED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1995

Co. Registration NO : 2485358



PORTFOLIO DESIGN GROUP LIMITED

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REPORT OF THE AUDITORS TO THE DIRECTORS OF

PORTFOLIO DESIGN GROUP LIMITED

PURSUANT TO PARAGRAPH 8 OF SCHEDULE 8 OF THE COMPANIES ACT 1985

We have examined the abridged financial statements on pages 5 to 7 together with the full financial statements of Portfolio Design Group Limited for the year ended 31st December 1995. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors statement of page 5 and that the abridged accounts have been properly prepared from the full financial statements.

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Part I of Schedule 8 to that Act in respect of the year ended 31st December 1995 and the abridged accounts on pages 5 to 7 have been properly prepared in accordance with that Schedule.

On 12th July 1996 we reported, as auditors of Portfolio Design Group Limited to the members on the company's financial statements for the year ended 31st December 1995 to be laid before its Annual General Meeting and our report was as follows:

'We have audited the financial statements on pages 7 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 5 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 financial 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 judgments 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 31st December 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

David Jones & company

DAVID JONES & COMPANY
Registered Auditors,
11 Glencairn Road,
Leopardstown,
Dublin 18.

12th July 1996

PORTFOLIO DESIGN GROUP LIMITED

ACCOUNTING POLICIES

The significant accounting policies adopted by the company for the year under review are as follows:

ACCOUNTING CONVENTION

The financial statements are prepared under the historical cost convention.

COMMISSION

Commission is earned on the sales of secondary life policies and is payable by its parent company, Portfolio Design Group International Limited.

REPORTING CURRENCY

The reporting currency is sterling pounds.

ADMINISTRATION EXPENSES

The company operates in conjunction with its related company Surrenda-Link Limited from its premises in Chester. Administration expenses incurred in respect of the buying and selling of secondary life policies on behalf of Portfolio Design Group International Limited are apportioned 60:40 between Surrenda-Link Limited and Portfolio Design Group Limited

PORTFOLIO DESIGN GROUP LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 1995

	Notes	<u>1995</u> IR£	<u>1994</u> IR£
CURRENT ASSETS			
Debtors	1	4,988	4,988
Cash at bank and in hand		12	12
NET CURRENT ASSETS		<u>5,000</u>	<u>5,000</u>
NET ASSETS		<u>5,000</u>	<u>5,000</u>
CAPITAL AND RESERVES			
Called up share capital	2	5,000	5,000
		<u>5,000</u>	<u>5,000</u>

We have relied on specified exemptions contained in sections 247 to 249 of the Companies Act, 1985 on the grounds that the company is entitled to the benefit of those exemptions as a small company.

ON BEHALF OF THE BOARD

DIRECTOR: 
Michael Semple

DIRECTOR: 
Paul Sands

DATE: 12th July 1996

PORTFOLIO DESIGN GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1995

1. **DEBTORS**

	<u>1995</u> <u>STG£</u>	<u>1994</u> <u>STG£</u>
Amounts falling due within one year:		
Portfolio Design Group International Limited	4,988	4,988
	<u>4,988</u>	<u>4,988</u>

2. **CALLED UP SHARE CAPITAL**

	Authorised	Allotted, called-up and fully paid	<u>1995</u> <u>STG£</u>	<u>1994</u> <u>STG£</u>
5,000 Ordinary shares of £1 each	1,000,000		5,000	5,000
	<u>1,000,000</u>		<u>5,000</u>	<u>5,000</u>

3. **ULTIMATE HOLDING COMPANY**

The ultimate holding company of Portfolio Design Group Limited is Portfolio Design Group International Limited, incorporated in the United Kingdom.

4. **DIRECTORS INTERESTS IN ISSUED SHARE CAPITAL**

Ultimate holding company - Portfolio Design Group International Limited.

Michael Semple 16,200 Ordinary shares @ STG£1 each
Paul Sands 6,300 Ordinary shares @ STG£1 each

5. **APPROVAL OF SHAREHOLDERS FINANCIAL STATEMENTS**

The shareholders' financial statements were approved the board on 12th July 1996.